As filed with the Securities and Exchange Commission on February 14, 2020

Registration No. 333-235707

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
FORM S-11
FOR REGISTRATION
UNDER THE SECURITIES ACT OF 1933
OF SECURITIES OF CERTAIN REAL ESTATE COMPANIES

GENERATION INCOME PROPERTIES, INC.
(Exact Name of Registrant as Specified in its Governing Instruments)

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(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the Securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, anon-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)
Common stock, $0.01 par value per share	$15,000,000	$1,947*

* Previously paid.

(1) Pursuant to Rule 416 of the Securities Act of 1933, as amended, such number of shares of common stock registered hereby also shall include an indeterminate number of shares of common stock that may be issued in connection with stock splits, stock dividends, recapitalizations or similar events.

(2) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these shares of common stock until the registration statement filed with the Securities and Exchange Commission becomes effective. This prospectus is not an offer to sell these shares of common stock and it is not soliciting an offer to buy these shares of common stock in any jurisdiction where the offer or sale thereof is not permitted.

SUBJECT TO COMPLETION, DATED FEBRUARY 14, 2020

PRELIMINARY PROSPECTUS

GENERATION INCOME PROPERTIES

GENERATION INCOME PROPERTIES, INC.

UP TO $ SHARES OF COMMON STOCK
$ PER SHARE

We are an internally managed Maryland corporation focused on acquiring and investing primarily in freestanding, single-tenant commercial properties net leased to investment grade tenants. We intend to elect and qualify to be taxed as a real estate investment trust ("REIT") for federal income tax purposes commencing with our taxable year ending December 31, 2020.

We are offering up to shares of our common stock, par value $0.01 per share, at an offering price of $ per share, for up to $ in gross proceeds in a firm commitment underwritten public offering by Maxim Group LLC, the underwriter. We have granted the underwriter a period of 45 days to purchase up to an additional shares of common stock, which the underwriter may only exercise to cover over-allotments made in connection with this offering.

Our common stock is currently approved to be quoted on the OTCQB Venture Market under the symbol "GIPR". We have applied to list our common stock on the Nasdaq Capital Market under the symbol "GIPR". No assurance can be given that our application will be approved. If our application is not approved or we otherwise determine that we will not be able to secure the listing of our common stock on the Nasdaq, we will not complete this offering.

Investing in our common stock involves risks. You should carefully read and consider the "Risk Factors" beginning on page 10 of this prospectus before investing, including:

- We have not generated any profit to date and have incurred losses since our inception. There is no guarantee that we will be successful in the operation of the company moving forward and your entire investment could be lost.
- Our president faces conflicts of interest, as he is our President and Chairman of the Board and owns and serves as the managing member of 3 Properties, LLC, a real estate investment broker firm that we engage with from time to time.
- We currently have two employees and will initially rely on our management and other paid outside consultants to manage our business and assets.
- You will not have the opportunity to evaluate our investments before we make them. Our portfolio consists of six investments, and our success is totally dependent on our ability to make additional investments consistent with our investment goals and manage our current and future investments.
- Our senior management team has limited experience managing a publicly traded REIT.
- In the course of preparing our consolidated financial statements, we identified an error on our balance sheet resulting in $2.2 million of minority interest that should have been classified as redeemable minority interest. This error was the result of having a limited number of financial staff and resulted in a material weakness in our internal control over financial reporting. There can be no guarantee that additional material weaknesses do not exist.
- The stock ownership limit imposed by the Internal Revenue Code of 1986 (the "Code") for REITs and our charter may inhibit market activity in our stock and may restrict our business combination opportunities.
- We have paid, and may pay in the future, distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings or offering proceeds.
- If our application to list our shares on Nasdaq is not approved, we will not complete this offering.
- Investors participating in this offering will incur immediate and substantial dilution.
- There are material income tax risks associated with this offering because we are not currently a REIT. Although it is our intention to qualify as a REIT, qualifying as a REIT involves highly technical and complex provisions of the Code, and our failure to qualify as a REIT or remain qualified as a REIT would subject us to U.S. federal income tax and applicable state and local taxes, which would reduce the cash available for distribution to our stockholders.

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act and will be subject to reduced public company reporting requirements. See "Jumpstart Our Business Startups Act" contained herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, determined if this prospectus is truthful or complete or passed on or endorsed the merits of this offering. Any representation to the contrary is a criminal

offense.

	Price to Public	Underwriting Discount and Commissions(1)	Proceeds to Us, before expenses(2)(3)
Per Share:	$	$	$
Total:	$	$	$

(1) As of the date hereof, an affiliate of the underwriter holds 61,193 shares of our common stock, which were issued as compensation for advisory services unrelated to this offering. See "Underwriting" for details regarding the compensation payable to the underwriter in connection with this offering.

(2) We expect that the amount of expenses of the offering that we will pay will be approximately $250,000.

(3) We have granted the underwriter an option for a period of 45 days to purchase up to an additional shares of common stock. If the underwriter exercises this option in full, the additional underwriting discounts and commissions payable by us will be $ and the total proceeds to us, before expenses, will be $.

Maxim Group LLC

The date of this prospectus is , 2020.

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ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we, nor anyone working on our behalf, are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus prepared by us is accurate only as of their respective dates or on the date or dates which are specified in these documents. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

MARKET DATA

We use market data and industry forecasts and projections throughout this prospectus. We have obtained substantially all of this information from independent industry sources and publications as well as from research sources prepared by third party industry sources. Any forecasts are based on data (including third party data), models and experience of various professionals, and are based on various assumptions, all of which are subject to change without notice. In addition, we have obtained certain market and industry data from publicly available industry publications. We believe that the surveys and market research others have performed are reliable, but we have not independently verified this information.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

We make statements in this prospectus that are forward-looking statements within the meaning of the federal securities laws. The words “believe,” “estimate,” “expect,” “anticipate,” “intend,” “plan,” “seek,” “may,” “continue,” “could,” “might,” “potential,” “predict,” “should,” “will,” “would,” and similar expressions or statements regarding future periods or the negative of these terms are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any predictions of future results, performance or achievements that we express or imply in this prospectus.

The forward-looking statements included in this prospectus are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements. Since our common stock may be considered a “penny stock,” we may be ineligible to rely on the safe harbor for forward-looking statements provided in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”).

Factors that could have a material adverse effect on our forward-looking statements and upon our business, results of operations, financial condition, funds derived from operations, cash available for distribution, cash flows, liquidity and prospects include, but are not limited to, the factors referenced under the caption “Risk Factors.”

Any of the assumptions underlying forward-looking statements could be inaccurate. You are cautioned not to place undue reliance on any forward-looking statements included in this prospectus. All forward-looking statements are made as of the date of this prospectus and the risk that actual results will differ materially from the expectations expressed in this prospectus will increase with the passage of time. Except as otherwise required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements after the date of this prospectus, whether as a result of new information, future events, changed circumstances or any other reason. In light of the significant uncertainties inherent in the forward-looking statements included in this prospectus, the inclusion of such forward-looking statements should not be regarded as a representation by us or any other person that the objectives and plans set forth in this prospectus will be achieved.

In this prospectus, references to the “Company,” “we,” “us,” “our” or similar terms refer to Generation Income Properties, Inc., a Maryland corporation, together with its consolidated subsidiaries, including Generation Income Properties, L.P., a Delaware limited partnership, which we refer to as our operating partnership (the “Operating Partnership”). As used in this prospectus, an affiliate, or person affiliated with a specified person, is a person that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

OFFERING SUMMARY

The following summary highlights information contained elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus, including "Risk Factors," before making a decision to invest in our common stock.

Our Company

We are a Maryland corporation focused on acquiring and investing in net lease commercial retail, office and industrial properties located primarily in major cities in the United States. We were incorporated by our Chairman and President, David Sobelman, who has over 15 years of experience in the net lease real estate business.

We were incorporated in Maryland on June 19, 2015. Our business and registered office is located at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602. Our office space has been provided free of charge by David Sobelman, our President and Chairman of our Board of Directors (the "Board"). Our telephone number is (813) 448-1234 and our website is www.gipreit.com. The information contained in our website is not incorporated by reference in this prospectus.

We intend to use substantially all of the net proceeds from this offering to operate our existing portfolio of commercial real estate properties and acquire additional freestanding, single-tenant commercial properties. Once we qualify for taxation as a REIT, we intend to make regular cash distributions to our stockholders out of our cash available for distribution, typically on a quarterly basis. Generally, our policy will be to pay distributions from cash flow from operations. However, our distributions may be paid from sources other than cash flows from operations, such as from the proceeds of this offering, borrowings or distributions in kind.

We have been organized as a Maryland corporation and intend to operate in conformity with the requirements for qualification and taxation as a REIT under U.S. federal income tax laws, commencing with our taxable year ending December 31, 2020. We have not qualified as a REIT to date and will not be able to satisfy the requirements of operating as a REIT until after this offering closes.

Our Current Portfolio

Our goal is to acquire and own, through wholly-owned subsidiaries of our Operating Partnership, single-tenant retail, commercial, and industrial properties, located primarily in major U.S. cities, and net leased to investment grade tenants with at least eight to ten years remaining on the lease. Investment grade tenants are generally companies that have a debt rating by Moody's Corporation of Baa3 or better or a credit rating by Standard & Poor's of BBB- or better, or their equivalents, are guaranteed by a company with such rating, and other creditworthy tenants located throughout the United States.

As of the date of this prospectus, we own six assets:

- A single tenant retail condo (3,000 square feet) leased to 7-Eleven Corporation and located at 3707-3711 14th Street, NW, Washington, D.C., purchased in June 2017 for approximately $2.6 million including fees, costs and other expenses.
- A single tenant retail stand-alone property (2,200 square feet) leased to Starbucks Corporation and located at 1300 South Dale Mabry Highway in Tampa, Florida purchased in April 2018 for approximately $3.6 million. The building was purchased with debt financing of $3.7 million, which was subsequently refinanced by a new mortgage loan in the amount of $11.3 million secured by this building, our Washington D.C. property described above and our Huntsville, Alabama property described below.
- A single tenant industrial building (59,000 square feet) leased to Pratt & Whitney Automation, Inc. and located at 15091 Alabama Highway 20, in Huntsville, AL purchased for $8.4 million in December 2018. The acquisition of the building was funded by debt financing of $6.1 million and preferred equity in one of our subsidiaries of $2.2 million. The debt incurred in connection with the acquisition of this building was subsequently refinanced by the new mortgage loan in the amount of $11.3 million described above and we redeemed the preferred equity interest in full on December 18, 2019.
- A single tenant retail building (15,000 square feet) leased to Walgreen Company and located at 1106 Clearlake Road in Cocoa, Florida purchased in September 2019 for total consideration of approximately $4.5 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $1.2 million and by debt financing of approximately $3.4 million.

- A two-tenant office building (72,000 square feet) leased to the United States General Services Administration and Maersk Line, Limited, an international shipping company, and located at 2510 Walmer Avenue in Norfolk, Virginia acquired in September 2019 for total consideration of approximately $11.5 million. The acquisition of the building was funded by issuing 993,000 common units in our Operating Partnership, priced at $5.00 per unit, for a total value of $4,965,000 plus an additional $822,000 in cash, and the assumption of approximately $6.0 million of existing mortgage debt which was subsequently refinanced with a new $8.3 million mortgage loan.
- A single tenant office building (35,000 square feet) leased to PRA Holdings Inc. and located at 130 Corporate Boulevard in Norfolk, Virginia acquired in September 2019 for approximately $7.1 million. This acquisition was funded with the issuance of 406,650 common units in our Operating Partnership, priced at $5.00 per unit, for a total value of $2,033,250 plus an additional $100,000 in cash, and the assumption of approximately $5.2 million of existing mortgage debt.

The table below presents an overview of the properties in our initial portfolio as of September 30, 2019, unless otherwise indicated:

Property Type	Property Location	Rentable Square Feet	Tenant(s)	S&P Credit Rating (1)	Lease Expiration Date	Remaining Term (Years)	Tenant Extension Options (Number x Years)	Contractual Rent Escalations	Annualized Base Rent (2)	Percentage of Gross Annual Rental to Total	Annualized Base Rent per Sq. Ft.
Retail	Washington DC	3,000	7-Eleven Corporation	AA-	3/31/2026	6.6	2 x 5	Yes	$ 118,000	3.6%	$39.33
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	8.5	4 x 5	Yes	$ 182,500	5.6%	$82.95
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	9.5	2 x 5	Yes	$ 684,996	21.0%	$11.59
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	12/31/2029	10.3	3 x 5	No	$ 313,480	9.6%	$20.73
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and Maersk Line, Limited	AA+	09/17/2028	9.1	—	No	$882,476	27.1%	$17.68
	Norfolk, VA	22,247		BBB	12/01/2021	2.2	2 x 5	Yes	$363,763	11.2%	$16.35
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB-	08/31/2027	8.0	1 x 5	Yes	$714,108	21.9%	$20.49

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash base rental income in place as of September 30, 2019.
(3) Tenant has the right to terminate on the following dates: July 31, 2028, July 31, 2033, July 31, 2038, July 31, 2043, July 31, 2048 and July 31, 2053.
(4) Tenant has the right to terminate the lease on August 31, 2024 subject to certain conditions.

Market Opportunity

We believe that there is a current trend to purchase U.S. net lease properties that provide the highest return possible, which in our estimation causes investors to purchase assets in less desirable locations with lower real estate values. In our estimation, this leaves an opportunity to purchase prime net lease real estate assets that are not being sought out by institutional owners. With the vast number of similar real estate companies currently seeking assets that provide an immediate return, we believe that many assets are being overlooked. By contrast, we will be searching for assets that we believe have a significant potential for long-term real estate appreciation, followed by a high credit rated tenant with a long-term, net lease. We believe that the market opportunity lies within uncovering assets that are overlooked by other institutional and private investors as they may not fit within their short-term higher return parameters.

Business Strategy and Investment Criteria

We currently own and operate six commercial real estate properties, which consist of five single-tenant buildings and one dual-tenant building. We intend to acquire additional commercial real estate properties consisting primarily of freestanding, single-tenant retail, commercial, and industrial properties, located primarily in major U.S. cities, with an emphasis on the major primary and coastal markets, and net leased to investment grade tenants. Investment grade tenants are generally companies that have a debt rating by Moody's Corporation of Baa3 or better or a credit rating by Standard & Poor's of BBB- or better, or their equivalents, are guaranteed by a company with such rating, and other creditworthy tenants located throughout the United States. We also may invest in a smaller number of multi-tenant properties that complement our overall investment objectives or in developmental projects with non-investment grade tenants. In addition, we may invest in entities that make similar investments. We believe that these investments can produce attractive risk-adjusted returns because we expect to acquire properties that have a strong long-term potential at increasing the value of the real estate.

We utilize extensive research to evaluate target markets and properties, including a detailed review of the long-term economic outlook, trends in local demand generators, competitive environment, property systems and physical condition, and property financial performance. Specific acquisition criteria may include, but are not limited to, the following:

- properties with stable primary investment-grade tenants;
- properties with existing, long-term leases of eight to ten years or more;
- premier locations and facilities;
- properties not subject to long-term management contracts with management companies;
- potential return on investment initiatives, including improvements and possible expansion;
- opportunities to implement value-added operational improvements; and

- strong demand growth characteristics supported by favorable demographic indicators.

Though we do not initially intend to engage in significant development or redevelopment of net lease properties, over the long-term we may acquire properties that we believe would benefit from significant redevelopment or expansion.

Competitive Strengths

We expect the following factors will benefit our company as we implement our business strategy:

- *Experienced Board of Directors and Board of Advisors.* We believe that we have a seasoned and experienced board of directors and board of advisors that will help us achieve our investment objectives. In combination, our directors have approximately 47 years of experience in the real estate industry.
- *Experienced Executive Leadership.* We are led by our Chairman and President, David Sobelman. He founded the company after serving almost 13 years in different capacities within the net lease commercial real estate market. In June 2017, Mr. Sobelman started 3 Properties, LLC ("3 Properties"), a commercial real estate brokerage firm focused solely on the net lease market. Mr. Sobelman has held various roles within the single tenant, net lease commercial real estate investment market, including investor, asset manager, broker, owner, analyst and advisor.
- *Focused Property Investment Strategy.* We have invested and intend to invest primarily in assets that are geographically located in prime markets throughout the United States, with an emphasis on the major primary and coastal markets, where we believe there are greater barriers to entry for the development of new net lease properties.
- *Disciplined Approach to Underwriting and Due Diligence*. Before acquiring a property, our team, led by Mr. Sobelman, intends to follow a disciplined underwriting and due diligence process. The due diligence process will focus on the credit worthiness of the tenants, lease term and quality, real estate fundamentals and risk adjusted return analysis.
- *Focus on Capital Preservation.* Our management team intends to place a premium on protecting and preserving capital by performing a comprehensive risk-reward analysis on each investment, with a focus on relative values among the target assets that are available in the market. We will utilize what we view as appropriate leverage with the goal to enhance equity returns while avoiding unwarranted levels of debt or excessive interest rate or re-financing exposure.
- *Existing Acquisition Pipeline.* We believe our extensive network of long standing relationships will provide us with access to a pipeline of acquisition opportunities that will enable us to identify and capitalize on what we believe are attractive acquisition opportunities for our leasing efforts.
- *Established and Developing Relationships with Real Estate Financing Sources.* We believe our existing relationships with institutional sources of debt financing could provide us with attractive and competitive debt financing options as we grow our property portfolio and provide us the opportunity to refinance our existing indebtedness.
- *Growth-Oriented, Flexible and Conservative Capital Structure.* With the completion of this offering, we believe our capital structure will provide us with an advantage over many of our private and public competitors. Upon completion of this offering, we will have no legacy balance sheet issues and limited near-term maturities, which will allow management to focus on business and growth strategies rather than balance sheet repair.

Financing Strategies

Our long-term goal is to maintain a lower-leveraged capital structure and lower outstanding principal amount of our consolidated indebtedness. However, we anticipate in the early stages of our business, with respect to assets either acquired with debt financing or refinanced, the debt financing amount generally could be up to approximately 80% of the acquisition price of a particular asset, provided, however, we are not restricted in the amount of leverage we may use to finance an asset. Particular assets may be more highly leveraged. Over time, we intend to reduce our debt positions through financing our long-term growth with equity issuances and some debt financing having staggered maturities. Our debt may include mortgage debt secured by our properties and unsecured debt. Over a long-term period, we intend to maintain lower levels of debt encumbering the company, its assets and/or the portfolio.

Potential Acquisition Pipeline

We have a network of long-standing relationships with real estate developers, individual and institutional real estate owners, national and regional lenders, brokers, tenants and other market participants. We believe this network will provide us with market intelligence and access to a potential pipeline of attractive acquisition opportunities.

We are continually engaging in internal research as well as informal discussions with various parties regarding our potential interest in these types of potential acquisitions. As of the date of this prospectus, however, we have not specifically targeted, and are not a party to any agreement to purchase, any additional properties, other than a building in Manteo, North Carolina for $1.7 million. There is no assurance that any currently available properties will remain available, or that that we will pursue or complete any of these potential acquisitions, at prices acceptable to us or at all, following this offering.

Distribution Policy

We intend to make distributions consistent with our intent to be taxed as a REIT under the Code. We intend to continue to make regular distributions to our shareholders as determined by our Board.

We intend to make a pro rata distribution with respect to the period commencing upon the completion of this offering and ending on December 31, 2020, based on a distribution rate of $ per share of common stock for a full quarter. On an annualized basis, this would be $ per share of common stock, or an annualized distribution rate of approximately % based on the mid-point of the price range set forth on the front cover of this prospectus. Our intended annual distribution rate has been established based on our estimate of cash available for distribution for the twelve months ending December 31, 2020, which we have calculated based on adjustments to our pro forma net income for the twelve months ended September 30, 2019. This estimate was based on our pro forma operating results and does not take into account our long-term business and growth strategies, nor does it take into account any unanticipated expenditures we may have to make or any financings for such expenditures. In estimating our cash available for distribution for the twelve months ending December 31, 2020, we have made certain assumptions as further described in "Our Distribution Policy." We cannot assure you that our estimated distributions will be made or sustained or that our board of directors will not change our distribution policy in the future.

From inception through the date of this prospectus, we have distributed approximately $405,170 to common stockholders. David Sobelman, our president and founder and owner of approximately 42.8% of the Company's outstanding common stock, has historically waived his dividends and is expected to continue to waive his dividends until our dividends are fully covered by our cash flow, including dividends on Mr. Sobelman's shares. However, Mr. Sobelman will be entitled to receive future dividends and his past waivers for these dividends does not act as a waiver for future dividends. Because we have not yet generated a profit, distributions have been made from offering proceeds and we may choose to pay distributions in kind.

REIT Status

We have not qualified as a REIT to date and will not be able to satisfy the requirements of operating as a REIT until after this offering closes. We intend to elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020. Until that time, we will be subject to taxation at regular corporate rates under the Code. Our qualification as a REIT will depend upon our ability to meet, on a continuing basis, through actual investment and operating results, various complex requirements under the Code relating to, among other things, the sources of our gross income, the composition and values of our assets, our distribution levels and the diversity of ownership of our shares. We believe that we will be organized in conformity with the requirements for qualification as a REIT under the Code and that our intended manner of operation will enable us to meet the requirements for qualification and taxation as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020, and continuing thereafter.

If we qualify as a REIT, we generally will not be subject to federal income tax on our REIT taxable income that we distribute currently to our shareholders. Under the Code, REITs are subject to numerous organizational and operational requirements, including a requirement that they distribute each year at least 90% of their taxable income, determined without regard to the deduction for dividends paid and excluding any net capital gains. Once we elect to be qualified as a REIT, if we fail to qualify for taxation as a REIT in any taxable year and do not qualify for certain statutory relief provisions, our income for that year will be taxed at regular corporate rates, and we will be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT. Even if we qualify as a REIT for federal income tax purposes, we may still be subject to state and local taxes on our income and assets and to federal income and excise taxes on our undistributed income.

Our Organizational Structure

We were formed as a Maryland corporation on June 19, 2015. We are the sole general partner of our Operating Partnership, the subsidiary through which we conduct substantially all of our operations and make substantially all of our investments. We will contribute to our Operating Partnership the net proceeds of this offering as a capital contribution in exchange for additional common units in our Operating Partnership.

Because we will conduct substantially all of our operations through the Operating Partnership, at such time as we qualify as a REIT, we will be considered an Umbrella Partnership Real Estate Investment Trust ("UPREIT"). We use an UPREIT structure because a sale of property directly to a REIT generally is a taxable transaction to the selling property owner. In an UPREIT structure, a seller of a property that desires to defer taxable gain on the sale of its property may transfer the property to the Operating Partnership in exchange for common units in the Operating Partnership and defer taxation of gain until the seller later exchanges its common units in the Operating Partnership on a one-for-one basis for our shares. If our shares are publicly traded at the time of the exchange of units for shares, the former property owner will achieve liquidity for its investment. Using an UPREIT structure may give us an advantage in acquiring desired properties from persons who may not otherwise sell their properties because of unfavorable tax results.

On December 20, 2018, we acquired a single tenant industrial building in Huntsville, AL for total consideration of approximately $8.4 million, with Pratt & Whitney Automation, Inc. continuing as a tenant. The acquisition was funded in part with debt financing of approximately $6.1 million and in part with a capital contribution of approximately $2.2 million to our Delaware operating subsidiary, GIPAL JV 15091 SW Alabama 20, LLC (the "Alabama Subsidiary"), by the holder of all of the outstanding Class A Preferred membership units in the Alabama Subsidiary (the "Alabama Preferred Member"). We redeemed 100% of the Alabama Preferred Member's membership interests in the Alabama Subsidiary on December 18, 2019 for approximately $2.4 million in cash, using existing cash and the proceeds from a $1.9 million secured non-convertible promissory note issued by the Operating Partnership to the Clearlake Preferred Member, as defined below, which is secured by all of the personal and fixture property assets of the Operating Partnership. The $6.1 million acquisition loan was refinanced on February 12, 2020 with the proceeds of an $11.3 million promissory note secured by a first priority mortgage on this property, our 7-Eleven property in Washington, D.C. and our Starbucks property in Tampa, Florida in favor of DBR Investments Co. Limited. The proceeds of the $11.3 million loan also prepaid a portion of the outstanding principal of the $1.9 million note issued to the Clearlake Preferred Member.

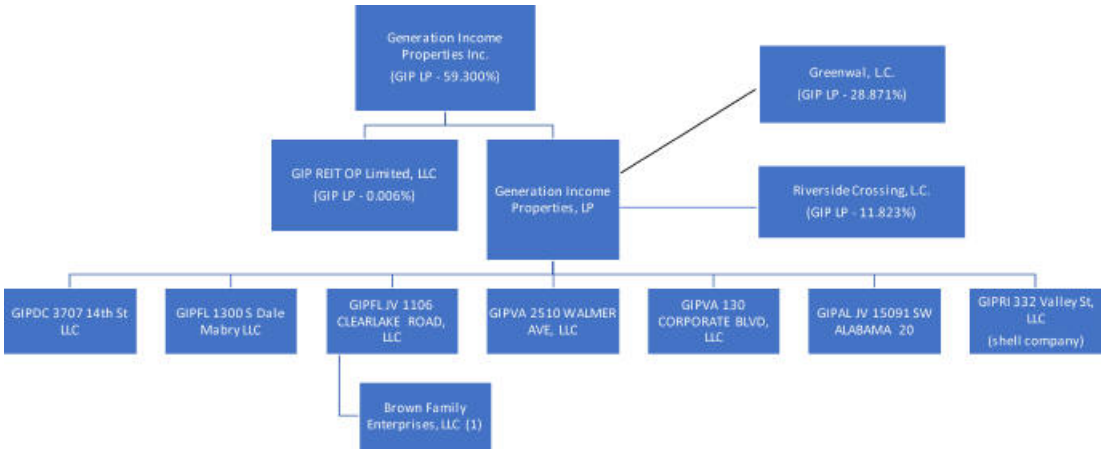
On September 12, 2019, we acquired a single tenant building in Cocoa, FL for total consideration of approximately $4.5 million, with Walgreens continuing as a tenant. The acquisition was funded in part with debt financing of approximately $3.4 million and in part with a capital contribution of $1.2 million to our Delaware operating subsidiary, GIPFL JV 1106 Clearlake Road, LLC (the "Clearlake Subsidiary"), by the holder of all of the outstanding Class A Preferred membership units in the Clearlake Subsidiary (the "Clearlake Preferred Member"). The Clearlake Preferred Member will be paid a 10% annual preferred return on its capital contribution until September 2021 unless earlier redeemed. The Clearlake Preferred Member's interest in the Clearlake Subsidiary is a "Redeemable Non-Controlling Interest" because it is a non-controlling interest and is redeemable for cash or common units in the Operating Partnership at the election of the Clearlake Preferred Member after 24 months. In addition to the Clearlake Preferred Member's Redeemable Non-Controlling Interest, the Clearlake Preferred Member holds a $1.9 million secured non-convertible promissory note issued by the Operating Partnership that accrues interest at a 10% per annum rate. Interest on that note is payable monthly to the Clearlake Preferred Member, and the principal amount will become due and payable on December 16, 2021. On February 12, 2020 we prepaid a portion of the outstanding principal of the $1.9 million note issued to the Clearlake Preferred Member. The debt financing is a $3.4 million promissory note secured by a first priority mortgage on the property in favor of American Momentum Bank, and is guaranteed by Mr. Sobelman, our Chairman and President.

On September 30, 2019, we acquired as part of two acquisitions the following properties:

- A two-tenant office building in Norfolk, Virginia for total consideration of approximately $11.5 million. The acquisition of the building was funded by issuing 993,000 common units in the Operating Partnership, priced at $5.00 per unit, for a total value of $4,965,000 plus an additional $822,000 in cash, and the assumption of approximately $6.0 million of existing mortgage debt.
- A single tenant office building in Norfolk, Virginia for total consideration of approximately $7.1 million. This transaction was funded with the issuance of 406,650 common units in the Operating Partnership, priced at $5.00 per unit, for a total value of $2,033,250 plus an additional $100,000 in cash, and the assumption of approximately $5.2 million of existing mortgage debt.

Following these transactions, as of December 18, 2019, we own 59.306% of the outstanding common units in the Operating Partnership and outside investors own 40.694%. After we contribute the net proceeds of this offering to our Operating Partnership in exchange for common units of the Operating Partnership, our percentage ownership of outstanding common units in the Operating Partnership will increase to approximately %, assuming the sale of shares of common stock in this offering by us at an assumed public offering price of $ per share.

The following chart shows the structure of our company as of December 18, 2019:



(1) Brown Family Enterprises, LLC, the Clearlake Preferred Member, owns a redeemable limited partnership interest in GIPFL JV 1106 Clearlake Road, LLC.

Summary Risk Factors

An investment in our common stock involves various risks.

We face risks and uncertainties that could affect us and our business as well as the real estate industry generally. In addition, new risks may emerge at any time, and we cannot predict such risks or estimate the extent to which they may affect our financial performance. These risks could result in a decrease in the value of our common stock.

The occurrence of any of the following risks could materially and adversely affect our business, prospects, financial condition, results of operations and our ability to make cash distributions to our stockholders, which could cause you to lose all or a significant portion of your investment in our common stock. Some statements in this filing, including statements in the following risk factors, constitute forward-looking statements.

You should carefully consider the matters discussed in “Risk Factors” before you decide whether to invest in our common stock, including the following:

- We have not generated any profit to date and have incurred losses since our inception. There is no guarantee that we will be successful in the operation of the company moving forward and your entire investment could be lost.
- Our president faces conflicts of interest, as he is our President and Chairman of the Board and owns and serves as the managing member of 3 Properties, a real estate investment brokerage firm that we engage with from time to time.
- We currently have two employees and will initially rely on our management and other paid outside consultants to manage our business and assets.
- You will not have the opportunity to evaluate our investments before we make them. Our portfolio consists of six investments, and our success is totally dependent on our ability to make additional investments consistent with our investment goals and manage our current and future investments.
- Our senior management team has limited experience managing a publicly traded REIT.

- In the course of preparing our consolidated financial statements, we identified an error on our balance sheet resulting in $2.2 million of minority interest that should have been classified as redeemable Non-Controlling interest. This error was the result of having a limited number of financial staff and resulted in a material weakness in our internal control over financial reporting. There can be no guarantee that additional material weaknesses do not exist.
- The stock ownership limit imposed by the Code for REITs and our amended and restated articles of incorporation ("charter" or "articles of incorporation") may inhibit market activity in our stock and may restrict our business combination opportunities.
- We have paid, and may pay in the future, distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings or offering proceeds.
- If our application to list our shares on Nasdaq is not approved, we will not complete this offering.
- Investors participating in this offering will incur immediate and substantial dilution.
- There are material income tax risks associated with this offering because we are not currently a REIT. Although it is our intention to qualify as a REIT, qualifying as a REIT involves highly technical and complex provisions of the Code, and our failure to qualify as a REIT or remain qualified as a REIT would subject us to U.S. federal income tax and applicable state and local taxes, which would reduce the cash available for distribution to our stockholders.

Restrictions on Ownership of Our Common Stock

Due to limitations on the concentration of ownership in a REIT imposed by the Code, our charter generally prohibits any person from actually, beneficially or constructively owning more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate outstanding shares of all classes and series of our stock (the "Ownership Limits"). The Company intends to do whatever necessary to qualify as a REIT, and the Company and Mr. Sobelman have entered into an agreement whereby if the Company would otherwise fail the "closely held" test, and Mr. Sobelman owns greater than 9.8% of our common stock, we will automatically redeem such number of Mr. Sobelman's shares for consideration of $.01 per share as will permit us to satisfy the "closely held" test.

THE OFFERING

Common Stock Offered by us:	shares (or shares if the underwriter's over-allotment option is exercised in full) at a public offering price of $ per share.
Common Stock Outstanding After this Offering:	Shares.*
Market for the Common Stock and Nasdaq Listing Application:	Our common stock is approved to be quoted on the OTCQB Venture Market under the symbol "GIPR". We have applied to list our common stock on the Nasdaq Capital Market under the symbol "GIPR". If our application is not approved or we otherwise determine that we will not be able to secure the listing of our common stock on the Nasdaq, we will not complete this offering. There is no assurance that our application for listing on the Nasdaq will be approved.
Over-Allotment Option:	The Underwriting Agreement provides that we will grant to the underwriter an option, exercisable within 45 days after the closing of this offering, to purchase up to an additional shares of common stock, solely for the purpose of covering over-allotments, if any.
Use of Proceeds:	We estimate that we will receive net proceeds from this offering of approximately $ million (or approximately $ million if the underwriter's over-allotment option is exercised in full), after deducting underwriting discounts and commissions, and estimated expenses of the offering, assuming a public offering price of $ per share. We will contribute the net proceeds of this offering to our Operating Partnership in exchange for common units of the Operating Partnership. Our Operating Partnership intends to use the net proceeds from this offering to operate our existing portfolio of commercial real estate properties; to acquire additional freestanding, single- or dual-tenant commercial properties, and for general business purposes. We cannot predict if or when we will identify and acquire properties that meet our acquisition criteria so as to permit us to invest the net proceeds of this offering.
Ownership and Transfer Restrictions:	In order for us to qualify as a REIT under the Code, our charter generally prohibits any person from actually, beneficially or constructively owning more than 9.8% in value or number, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate outstanding shares of all classes and series of our stock. See the section entitled "Description of Securities — Restrictions on Ownership and Transfer."
Lock-Up Agreements	We and all of our executive officers, directors and our 5% or greater stockholders will enter intolock-up agreements with the underwriter. Under these agreements, we and each of these persons may not, without the prior written approval of the underwriter, offer, sell, contract to sell or otherwise dispose of or hedge common stock or securities convertible into or exchangeable for common stock, subject to certain exceptions. The restrictions contained in these agreements will be in effect for a period of 180 days after the date of the closing of this offering. For more information, see "Underwriting" on page 99 of this prospectus.
Risk Factors:	Investing in our common stock involves risks. You should carefully read and consider the information set forth under the heading "Risk Factors" beginning on page 10 and other information included in this prospectus before investing in our common stock.

* The number of shares of our common stock to be outstanding after this offering is based on 2,100,960 shares of common stock outstanding as of December 18, 2019 and excludes as of such date:

  - 200,000 warrants outstanding to purchase up to 200,000 shares of our common stock at an exercise price of $5.00 per share;
  - 20,000 unvested shares of restricted stock; and
  - shares that may be issued by us upon exercise of the underwriter's over-allotment option.

RISK FACTORS

An investment in our common stock involves risks. In addition to other information in this prospectus, you should carefully consider the following risks before investing in our common stock. The occurrence of any of the following risks could materially and adversely affect our business, prospects, financial condition, results of operations and our ability to make cash distributions to our shareholders, which could cause you to lose all or a significant portion of your investment in our common stock. Some statements in this prospectus, including statements in the following risk factors, constitute forward-looking statements.

Risks Related To This Offering

We have not generated any profit to date and have incurred losses since inception.

We generated $857,013 in rental revenues during the nine months ended September 30, 2019 and $296,330 in rental revenues during the twelve months ended December 31, 2018 and we have cumulative net losses of approximately $1.7 million from inception to September 30, 2019. We may never become profitable and you may lose your entire investment. As of December 18, 2019, we had total cash (unrestricted and restricted) of approximately $1.6 million, properties with a cost basis of $38.7 million and outstanding debt of approximately $28.5 million.

Purchasers will suffer immediate and substantial dilution as a result of this offering.

Purchasers of shares of our common stock offered by this prospectus will suffer immediate and substantial dilution of their investment. Assuming all of the shares are sold in this offering, purchasers in this offering will suffer immediate dilution of approximately $ per share in the net tangible book value of the common stock. See "Dilution" in this prospectus for a more detailed discussion of the dilution purchasers will incur in this offering.

Investing in our company may result in an immediate loss because buyers may pay more for our common stock than the pro rata portion of the assets are worth.

We have only a limited operating history; therefore, the price of the offered shares and other terms and conditions regarding our shares may not bear any relationship to assets, earnings, book value or any other objective criteria of value. No appraiser has been consulted concerning the offering price for the shares or the fairness of the offering price used for the shares. The offering price will not change for the duration of the offering even if the price quoted on the OTCQB changes. The Company's President and Chairman of the Board paid $0.01 per share for his shares, which represents a significant discount compared to what you would pay in this offering.

Because we have 110.0 million authorized shares of stock, management could issue additional shares, diluting the current shareholders' equity.

We have 100.0 million authorized shares of common stock and 10.0 million authorized shares of preferred stock, of which only approximately 2.1 million shares of common stock are currently issued and outstanding. Our management could, without the consent of the existing shareholders, issue substantially more shares of common stock, causing a large dilution in the equity position of our current shareholders. Additionally, large share issuances would generally have a negative impact on the value of our shares, which could cause you to lose a substantial amount, or all, of your investment.

Any additional funding resulting from the sale of our common stock will result in dilution to existing stockholders.

We may have to raise additional capital in order for our business plan to succeed. Our most likely source of additional capital will be through the sale of additional shares of common stock. Such stock issuances will cause stockholders' interests in our company to be diluted. Such dilution will negatively affect the value of an investor's shares.

You may not be able to resell your stock.

If a market for our common stock develops, the actual price of our shares will be determined by prevailing market prices at the time of the sale. Even though our shares are currently approved to be quoted on the OTCQB Venture Market and we have applied to have our shares of common stock listed for trading on the Nasdaq, we cannot assure you that there will ever be an active market for our common stock. The trading of securities on the OTC Markets is often sporadic and investors may have difficulty buying and selling our shares or obtaining market quotations for them, which may have a negative effect on the market price of our common stock. You may not be able to sell your shares at their purchase price or at any price at all. If no market develops, the holders of our common stock may find it difficult or impossible to sell their shares.

We have filed an application to have our shares of common stock listed on the Nasdaq. We can provide no assurance that our shares, if listed, will continue to meet Nasdaq listing requirements. If we fail to comply with the continuing listing standards of the Nasdaq, our securities could be delisted.

We have filed an application to have our shares of common stock listed on the Nasdaq. Listing of our securities on the Nasdaq is a condition to completing this offering. We anticipate that our shares will be eligible to be listed on the Nasdaq, subject to actions which may be required to meet the exchange's listing requirements. However, we can provide no assurance that our application will be approved, and, if approved, that an active trading market for our shares will develop and continue. As a result, you may find it more difficult to purchase and dispose of our shares of common stock. For our securities to be listed on the Nasdaq, we must meet the current Nasdaq initial and continued listing requirements. If we were unable to meet these requirements, our shares could be delisted from the Nasdaq. Any such delisting of our shares could have an adverse effect on the market price of, and the efficiency of the trading market for, our shares, not only in terms of the number of shares that can be bought and sold at a given price, but also through delays in the timing of transactions and less coverage of us by securities analysts, if any. Also, if in the future we were to determine that we need to seek additional equity capital, it could have an adverse effect on our ability to raise capital in the public or private equity markets.

The stock price of our common stock may be volatile or may decline regardless of our operating performance, and you may not be able to resell your shares at or above the public offering price.

The market price of our common stock may be volatile. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares at or above the public offering price. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future. Some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include:

- actual or anticipated variations in our operating results, funds from operations, cash flows, liquidity or distributions;
- changes in our earnings estimates or those of analysts;
- publication of research reports about us or the real estate industry or sector in which we operate;
- increases in market interest rates that lead purchasers of our shares to demand a higher dividend yield;
- changes in market valuations of companies similar to us;
- adverse market reaction to any securities we may issue or additional debt we incur in the future;
- additions or departures of key management personnel;
- actions by institutional stockholders;
- speculation in the press or investment community;
- high levels of volatility in the credit markets;
- the realization of any of the other risk factors included herein; and
- general market and economic conditions.

The amount of distributions we may pay, if any, is uncertain. We have paid, and may in the future pay, distributions from sources other than our cash flow from operations, including borrowings or offering proceeds, which means we will have less funds available for investments and your overall return may be reduced.

We have paid, and may in the future pay, distributions from sources other than from our cash flow from operations. We intend to fund the payment of regular distributions to our stockholders entirely from cash flow from our operations. However, during the early stages of our operations, and from time to time thereafter, we may not generate sufficient cash flow from operations

to fully fund distributions to stockholders. Therefore, particularly in the earlier part of our operations, if we choose to pay a distribution, we may choose to use cash flows from financing activities, which include borrowings (including borrowings secured by our assets), net proceeds of this or a prior offering, or other sources to fund distributions to our stockholders. To the extent we pay distributions from offering proceeds, including this offering, we will have less funds available to invest in income-producing properties and your overall return may be reduced. From inception through the date of this prospectus, we have distributed approximately $405,170 to common stockholders. Because we have not yet generated a profit, distributions have been made from offering proceeds. To the extent that we fund distributions from sources other than cash flows from operations, the value of your investment will decline.

Financial Industry Regulatory Authority ("FINRA") sales practice requirements may also limit your ability to buy and sell our common stock, which could depress the price of our shares.

We are subject to FINRA rules which require broker-dealers to have reasonable grounds for believing that an investment is suitable for a customer before recommending that investment to the customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status and investment objectives, among other things. Under interpretations of these rules, FINRA believes that there is a high probability such speculative low-priced securities will not be suitable for at least some customers. Thus, FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our shares, have an adverse effect on the market for our shares, and thereby depress our share price.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

We will have broad discretion in the application of the net proceeds of this offering, including working capital, possible acquisitions of properties and other general corporate purposes, and we may spend or invest these proceeds in a way with which our stockholders disagree. The failure by our management to apply these funds effectively could adversely affect our business and financial condition. Pending their use, we may invest the net proceeds from offerings in a manner that does not produce income or that loses value. These investments may not yield a favorable return to our investors.

Our President and Chairman of the Board will continue to have the ability to exercise substantial control over corporate actions and decisions.

As of February 4, 2020, our President and Chairman of the Board, Mr. Sobelman, owned approximately 42.8% of our outstanding common stock. Upon completion of this offering and assuming that Mr. Sobelman does not participate in this offering, Mr. Sobelman will own approximately % of our outstanding common stock assuming the sale of shares of common stock in this offering by us at an assumed public offering price of $ per share. As a result, Mr. Sobelman will continue to have the ability to exercise substantial control over decisions regarding (i) our targeted class of investments, including changing our targeted class of investments, without shareholder notice or consent, (ii) whether to issue common stock and/or preferred stock, including decisions to issue common stock and/or preferred stock to himself, (iii) employment and compensation arrangements, and (iv) whether to enter into material transactions with related parties. Mr. Sobelman's interests may not coincide with our interests or the interests of other shareholders. In addition, this concentration of ownership may have the effect of delaying or preventing changes in control or changes in management or limiting the ability of our other shareholders to approve transactions that they may deem to be in their best interest.

Risks Related to our Common Stock And Structure

We depend on distributions from the Operating Partnership to pay expenses.

We depend on our Operating Partnership and its subsidiaries for cash flow and are effectively structurally subordinated in right of payment to their obligations, including mortgage debt or other obligations on the properties owned. If our subsidiaries were unable to supply us with cash over time, we could be unable to pay expenses as they come due.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us and our business. If no analysts commence coverage of us, or if analysts commence and then cease coverage of us, the trading price for our common stock would be negatively affected. If one or more of the analysts publish inaccurate or unfavorable research about our business, the price for our common stock would likely decline.

Risks Related to Our Business and Properties

We have limited operating history and may not be able to successfully operate our business or generate sufficient operating cash flows to make or sustain distributions to our stockholders.

We were organized in June 2015 for the purpose of acquiring and investing in freestanding, single-tenant commercial properties net leased to investment grade tenants. As of the date of this prospectus, we have acquired six assets. We commenced operations as soon as we were able to raise sufficient funds to acquire our first suitable property. However, our ability to make or sustain distributions to our stockholders will depend on many factors, including our ability to identify attractive acquisition opportunities that satisfy our investment strategy, our success in consummating acquisitions on favorable terms, the level and volatility of interest rates, readily accessible short-term and long-term financing on favorable terms, and conditions in the financial markets, the real estate market and the economy. We will face competition in acquiring attractive net lease properties. The value of the net lease properties that we acquire may decline substantially after we purchase them. We may not be able to successfully operate our business or implement our operating policies and investment strategy successfully. Furthermore, we may not be able to generate sufficient operating cash flow to pay our operating expenses and make distributions to our stockholders.

As an early stage company, we are subject to the risks of any early stage business enterprise, including risks that we will be unable to attract and retain qualified personnel, create effective operating and financial controls and systems or effectively manage our anticipated growth, any of which could have a harmful effect on our business and our operating results.

We currently own six leased properties.

We currently own six properties, three of which were acquired in the third quarter of 2019, to lease to tenants. We need to raise funds to acquire additional properties to lease in order to grow and generate additional revenue. Because we only own six properties, the loss of any one tenant (or financial difficulties experienced by one of our tenants) could have a material adverse impact on our business and operations.

Many of our future properties will likely depend upon a single tenant for all or a majority of their rental income, and our financial condition and ability to make distributions may be adversely affected by the bankruptcy or insolvency, a downturn in the business, or a lease termination of a single tenant.

We expect that many of our properties will be occupied by only one tenant or will derive a majority of their rental income from one tenant and, therefore, the success of those properties will be materially dependent on the financial stability of such tenants. Lease payment defaults by tenants could cause us to reduce the amount of distributions we pay. A default of a tenant on its lease payments to us would cause us to lose the revenue from the property and force us to find an alternative source of revenue to meet any mortgage payment and prevent a foreclosure if the property is subject to a mortgage. In the event of a default, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment and re-letting the property. If a lease is terminated, there is no assurance that we will be able to lease the property for the rent previously received or sell the property without incurring a loss. A default by a tenant, the failure of a guarantor to fulfill its obligations or other premature termination of a lease, or a tenant's election not to extend a lease upon its expiration, could have an adverse effect on our financial condition and our ability to pay distributions.

We may change our investment objectives without seeking stockholder approval.

We may change our investment objectives without stockholder notice or consent. Although our Board has fiduciary duties to our stockholders and intends only to change our investment objectives when our Board determines that a change is in the best interests of our stockholders, a change in our investment objectives could reduce our payment of cash distributions to our stockholders or cause a decline in the value of our investments.

We may not be successful in identifying and consummating suitable investment opportunities.

Our investment strategy requires us to identify suitable investment opportunities compatible with our investment criteria. We may not be successful in identifying suitable opportunities that meet our criteria or in consummating investments, including those identified as part of our investment pipeline, on satisfactory terms or at all. Our ability to make investments on favorable terms may be constrained by several factors including, but not limited to, competition from other investors with significant capital, including non-traded REITs, publicly-traded REITs and institutional investment funds, which may significantly increase investment costs; and/or the inability to finance an investment on favorable terms or at all. The failure to identify or consummate investments on satisfactory terms, or at all, may impede our growth and negatively affect our cash available for distribution to our stockholders.

If we cannot obtain additional capital, our ability to make acquisitions and lease properties will be limited. We are subject to risks associated with debt and capital stock issuances, and such issuances may have adverse consequences to holders of shares of our common stock.

Our ability to make acquisitions and lease properties will depend, in large part, upon our ability to raise additional capital. If we were to raise additional capital through the issuance of equity securities, we could dilute the interests of holders of shares of our common stock. Our Board may authorize the issuance of classes or series of preferred stock which may have rights that could dilute, or otherwise adversely affect, the interest of holders of shares our common stock.

Further, we expect to incur additional indebtedness in the future, which may include a new corporate credit facility. Such indebtedness could also have other important consequences to our creditors and holders of our common and preferred stock, including subjecting us to covenants restricting our operating flexibility, increasing our vulnerability to general adverse

economic and industry conditions, limiting our ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements, requiring the use of a portion of our cash flow from operations for the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund working capital, acquisitions, capital expenditures and general corporate requirements, and limiting our flexibility in planning for, or reacting to, changes in our business and our industry.

We may never reach sufficient size to achieve diversity in our portfolio.

We are presently a comparatively small company with a modest number of properties, resulting in a portfolio that lacks geographic and tenant diversity. While we intend to endeavor to grow and diversify our portfolio through additional property acquisitions, we may never reach a significant size to achieve true portfolio diversity. In addition, because we intend to focus on single-tenant properties, we may never have a diverse group of tenants renting our properties, which will hinder our ability to achieve overall diversity in our portfolio.

The market for real estate investments is highly competitive.

Identifying attractive real estate investment opportunities, particularly in the value-added real estate arena, is difficult and involves a high degree of uncertainty. Furthermore, the historical performance of a particular property or market is not a guarantee or prediction of the property's or market's future performance. There can be no assurance that we will be able to locate suitable acquisition opportunities, achieve our investment goal and objectives, or fully deploy for investment the net proceeds of this offering.

Because of the recent growth in demand for real estate investments, there may be increased competition among investors to invest in the same asset classes as our company. This competition may lead to an increase in the investment prices or otherwise less favorable investment terms. If this situation occurs with a particular investment, our return on that investment is likely to be less than the return it could have achieved if it had invested at a time of less investor competition for the investment.

We are required to make a number of judgments in applying accounting policies, and different estimates and assumptions in the application of these policies could result in changes to our reporting of financial condition and results of operations.

Various estimates are used in the preparation of our financial statements, including estimates related to asset and liability valuations (or potential impairments) and various receivables. Often these estimates require the use of market data values that may be difficult to assess, as well as estimates of future performance or receivables collectability that may be difficult to accurately predict. While we have identified those accounting policies that are considered critical and have procedures in place to facilitate the associated judgments, different assumptions in the application of these policies could result in material changes to our financial condition and results of operations.

We utilize, and intend to continue to utilize, leverage, which may limit our financial flexibility in the future.

As of February 12, 2020, we had four promissory notes totaling approximately $28.2 million, of which one promissory note in the amount of approximately $3.4 million requires us to maintain a debt service coverage ratio (also known as a "DSCR") of 1.10:1.0 and three promissory notes totaling approximately $24.8 million require our properties to maintain a DSCR of 1.25:1.0. On December 16, 2019, our Operating Partnership issued a secured non-convertible promissory note to the Clearlake Preferred Member for $1.9 million that is due in on December 16, 2021 and bears an interest rate of 10%. The loan is repayable without penalty at any time. The loan is secured by all of the personal and fixture property assets of the Operating Partnership.

We make acquisitions and operate our business in part through the utilization of leverage pursuant to loan agreements with various financial institutions. These loan agreements contain standard affirmative and negative covenants, including prohibitions on additional liens on the collateral, financial reporting obligations and maintenance of insurance, in addition to the DSCR covenants described above. These covenants, as well as any future covenants we may enter into through further loan agreements, could inhibit our financial flexibility in the future and prevent distributions to stockholders.

We may incur losses as a result of ineffective risk management processes and strategies.

We seek to monitor and control our risk exposure through a risk and control framework encompassing a variety of separate but complementary financial, credit, operational, compliance and legal reporting systems, internal controls, management review processes and other mechanisms. While we employ a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. In addition, with a limited number of employees and ineffective internal controls (described below), our ability to identify risks is limited. Thus, we may, in the course of our activities, incur losses due to these risks.

We have identified a material weakness in our internal control over financial reporting which could, if not remediated, result in material misstatements in our financial statements.

Although we have concluded that our consolidated financial statements present fairly, in all material respects, the results of operations, financial position, and cash flows of our company and its subsidiaries in conformity with generally accepted accounting principles, we have identified a material weakness in internal control over financial reporting related to the lack of segregation of accounting duties. Under standards established by the Public Company Accounting Oversight Board, a material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis.

We are initiating remedial measures, but if our remedial measures are insufficient to address the material weakness, or if additional material weaknesses or significant deficiencies in our internal control over financial reporting are discovered or occur in the future, our consolidated financial statements may contain material misstatements, and we could be required to restate our financial results. If we are unable to successfully remediate this material weakness and if we are unable to produce accurate and timely financial statements, your investment in us may lose all or some of its value.

You will not have the opportunity to evaluate our investments before we make them.

Because we have not identified all of the specific assets that we will acquire, we are not able to provide you with information that you may want to evaluate before deciding to invest in our shares. Our investment policies and strategies are very broad and permit us to invest in any type of commercial real estate, including developed and undeveloped properties, entities owning these assets or other real estate assets regardless of geographic location or property type. Our President and Chairman of the board has absolute discretion in implementing these policies and strategies, subject to the restrictions on investment objectives and policies set forth in our articles of incorporation. Because you cannot evaluate our investments in advance of purchasing shares of our common stock, our common stock may entail more risk than other types of investments. This additional risk may hinder your ability to achieve your own personal investment objectives related to portfolio diversification, risk-adjusted investment returns and other objectives.

We rely on information technology networks and systems in conducting our business, and any material failure, inadequacy, interruption or security failure of that technology could harm our business.

We rely on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of our business processes, including financial transactions and maintenance of records, which may include confidential information of tenants, lease data and information regarding our stockholders. We rely on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential information. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches or cyber-attacks, can create system disruptions, shutdowns or unauthorized disclosure of confidential information. In addition, any breach in the data security measures employed by any third-party vendors upon which we may rely, could also result in the improper disclosure of personally identifiable information. Any failure to maintain proper function, security and availability of information systems could interrupt our operations, damage our reputation, subject us to liability claims or regulatory penalties and could materially and adversely affect us.

We are an emerging growth company and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

For as long as we continue to be an emerging growth company, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies including, but not limited to, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. In addition, we have elected to use the extended transition period for complying with new or revised accounting standards. This election allows us to delay the adoption of new or revised accounting standards that have different effective dates for public and private companies until those standards apply to private companies. As a result of this election, our financial statements may not be comparable to those of companies that comply with public company effective dates for such new or revised accounting standards. Further, we cannot predict if investors will find our common stock less attractive because we will rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

We will remain an emerging growth company until the earliest of (i) the end of the fiscal year in which the market value of our common stock that is held by non-affiliates exceeds $700 million, (ii) the end of the fiscal year in which we have total annual gross revenue of $1.07 billion or more during such fiscal year, (iii) the date on which we issue more than $1 billion in non-convertible debt in a three-year period or (iv) the last day of the fiscal year following the fifth anniversary of the date of the first sale of our common stock pursuant to an effective registration statement under the Securities Act.

We have experienced losses in the past, and we will likely experience similar losses in the near future.

From inception of our company through September 30, 2019, we had a cumulative net loss of approximately $1.7 million. Our losses can be attributed, in part, to the initial start-up costs and high corporate general and administrative expenses relative to the size of our portfolio. In addition, acquisition costs and depreciation and amortization expenses substantially reduced our income. As we continue to acquire properties, we anticipate high expenses to continue before we are able to achieve positive net income from our properties. We cannot assure you that, in the future, we will be profitable or that we will realize growth in the value of our assets.

We have paid and may continue to pay distributions from offering proceeds to the extent our cash flow from operations or earnings are not sufficient to fund declared distributions. Rates of distribution to you will not necessarily be indicative of our operating results. If we make distributions from sources other than our cash flows from operations or earnings, we will have fewer funds available for the acquisition of properties and your overall return may be reduced.

Our organizational documents permit us to make distributions from any source, including the net proceeds from this offering. There is no limit on the amount of offering proceeds we may use to pay distributions. To date, we have funded and expect to continue to fund distributions from the net proceeds of our offerings. We may also fund distributions with borrowings and the sale of assets to the extent distributions exceed our earnings or cash flows from operations. While we intend to pay distributions from cash flow from operations, our distributions paid to date were all funded by proceeds from our initial offering. To the extent we fund distributions from sources other than cash flow from operations, such distributions may constitute a return of capital and we will have fewer funds available for the acquisition of properties and your overall return may be reduced. Further, to the extent distributions exceed our earnings and profits, a stockholder's basis in our stock will be reduced and, to the extent distributions exceed a stockholder's basis, the stockholder will be required to recognize capital gain.

The limits on the percentage of shares of our common stock that any person may own may discourage a takeover or business combination that could otherwise benefit our stockholders.

Our charter, with certain exceptions, authorizes our Board to take such actions as are necessary and desirable to preserve our future qualification as a REIT. Unless exempted by our Board, no person may own more than 9.8% in value of our outstanding capital stock or more than 9.8% in value or number of shares, whichever is more restrictive, of our outstanding common stock. A person that did not acquire more than 9.8% of our shares may become subject to our charter restrictions if redemptions by other stockholders cause such person's holdings to exceed 9.8% of our outstanding shares. Our 9.8% ownership limitation may have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price for our stockholders.

Our charter permits our Board to issue stock with terms that may subordinate the rights of the holders of our common stock or discourage a third party from acquiring us in a manner that could result in a premium price to our stockholders.

Our Board may classify or reclassify any unissued common stock or preferred stock into other classes or series of stock and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms or conditions of redemption of any such stock without stockholder approval. Thus, our Board could authorize the issuance of preferred stock with terms and conditions that could have priority as to distributions and amounts payable upon liquidation over the rights of the holders of our common stock. Such preferred stock could also have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might otherwise provide a premium price to holders of our common stock.

Our charter includes a provision that may discourage a stockholder from launching a tender offer for our shares.

Our charter provides that any tender offer made by a person, including any "mini-tender" offer, must comply with most provisions of Regulation 14D of the Exchange Act. The offeror must provide our company notice of such tender offer at least 10 business days before initiating the tender offer. If the offeror does not comply with these requirements, no person may transfer any shares held by such person to the offeror without first offering the shares to us at the lowest of (1) the latest offering price of our common stock; (2) the fair market value of one share of our common stock as determined by an independent

valuation; and (3) the lowest tender offer price offered in such tender offer. In addition, the noncomplying offeror person shall be responsible for all of our company's expenses in connection with that offeror's noncompliance. This provision of our charter may discourage a person from initiating a tender offer for our shares and prevent you from receiving a premium price for your shares in such a transaction.

Maryland law and our organizational documents limit our rights and the rights of our stockholders to recover claims against our directors and officers, which could reduce your and our recovery against them if they cause us to incur losses.

Maryland law provides that a director will not have any liability as a director so long as he or she performs his or her duties in accordance with the applicable standard of conduct. In addition, Maryland law and our charter provide that no director or officer shall be liable to us or our stockholders for monetary damages unless the director or officer (1) actually received an improper benefit or profit in money, property or services or (2) was actively and deliberately dishonest as established by a final judgment as material to the cause of action. Moreover, our charter generally requires us to indemnify and advance expenses to our directors and officers for losses they may incur by reason of their service in those capacities unless their act or omission was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty, they actually received an improper personal benefit in money, property or services or, in the case of any criminal proceeding, they had reasonable cause to believe the act or omission was unlawful. Further, we expect to enter into separate indemnification agreements with each of our officers and directors. As a result, you and we may have more limited rights against our directors or officers than might otherwise exist under common law, which could reduce your and our recovery from these persons if they act in a manner that causes us to incur losses. In addition, we are obligated to fund the defense costs incurred by these persons in some cases.

Certain provisions of Maryland law could inhibit transactions or changes of control under circumstances that could otherwise provide stockholders with the opportunity to realize a premium.

Certain provisions of the Maryland General Corporation Law applicable to us prohibit business combinations with: (1) any person who beneficially owns 10% or more of the voting power of our outstanding voting stock, which we refer to as an "interested stockholder;" (2) an affiliate or associate of ours who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of our then outstanding stock, which we also refer to as an "interested stockholder;" or (3) an affiliate of an interested stockholder. These prohibitions last for five years after the most recent date on which the interested stockholder became an interested stockholder. Thereafter, any business combination with the interested stockholder or an affiliate of the interested stockholder must be recommended by our Board and approved by the affirmative vote of at least 80% of the votes entitled to be cast by holders of our outstanding voting stock, and two-thirds of the votes entitled to be cast by holders of our voting stock other than shares held by the interested stockholder or its affiliate with whom the business combination is to be effected or held by an affiliate or associate of the interested stockholder. These requirements could have the effect of inhibiting a change in control even if a change in control were in our stockholders' best interest. These provisions of Maryland law do not apply, however, to business combinations that are approved or exempted by our Board prior to the time that someone becomes an interested stockholder. Pursuant to the business combination statute, our Board has exempted any business combination involving us and any person, provided that such business combination is first approved by a majority of our Board.

Our structure may result in potential conflicts of interest with limited partners in our Operating Partnership whose interests may not be aligned with those of our stockholders.

Our directors and officers have duties to our corporation and our stockholders under Maryland law and our charter in connection with their management of the corporation. At the same time, we, as general partner, will have fiduciary duties under Delaware law to our Operating Partnership and to the limited partners in connection with the management of our Operating Partnership. Our duties as general partner of our Operating Partnership and its partners may come into conflict with the duties of our directors and officers to our corporation and our stockholders. Under Delaware law, a general partner of a Delaware limited partnership owes its limited partners the duties of good faith and fair dealing. Other duties, including fiduciary duties, may be modified or eliminated in the partnership's partnership agreement. The partnership agreement of our Operating Partnership provides that, for so long as we own a controlling interest in our Operating Partnership, any conflict that cannot be resolved in a manner not adverse to either our stockholders or the limited partners will be resolved in favor of our stockholders.

Additionally, the partnership agreement expressly limits our liability by providing that we will not be liable or accountable to our Operating Partnership for losses sustained, liabilities incurred or benefits not derived if we acted in good faith. In addition, our Operating Partnership is required to indemnify us and our officers, directors, employees, agents and designees to the extent permitted by applicable law from and against any and all claims arising from operations of our Operating Partnership, unless

it is established that: (1) the act or omission was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (2) the indemnified party received an improper personal benefit in money, property or services; or (3) in the case of a criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful.

The provisions of Delaware law that allow the fiduciary duties of a general partner to be modified by a partnership agreement have not been tested in a court of law, and we have not obtained an opinion of counsel covering the provisions set forth in the partnership agreement that purport to waive or restrict our fiduciary duties.

General Risks Related to Investments in Real Estate

The third party valuations of real estate investments we seek to purchase often times includes the value of a commercial lease and the loss of such a lease could result in the value of the real property declining.

Many of the properties that we seek to acquire include a commercial lease arrangement on the property and the corresponding purchase price for such property includes an assumption that such lease will continue. If we purchase a property with a commercial lease arrangement that terminates, the value of the investment may decline and we may be unable to sell the property for what we paid.

Our operating results will be affected by economic and regulatory changes that have an adverse impact on the real estate market in general, and we cannot assure you that we will be profitable or that we will realize growth in the value of our real estate properties.

Our operating results are subject to risks generally incident to the ownership of real estate, including:

- adverse changes in national and local economic and market conditions, including the credit markets;
- changes in governmental laws and regulations, including with respect to taxes, real estate, and the environment, fiscal policies and zoning ordinances and the related costs of compliance with those laws and regulations, fiscal policies and ordinances;
- takings by condemnation or eminent domain;
- real estate conditions, such as an oversupply of or a reduction in demand for real estate space in the area;
- the perceptions of tenants and prospective tenants of the convenience, attractiveness and safety of our properties;
- competition from comparable properties;
- the occupancy rate of our properties;
- the ability to collect all rent from tenants on a timely basis;
- the effects of any bankruptcies or insolvencies of major tenants;
- the expense of re-leasing space;
- changes in interest rates and in the availability, cost and terms of mortgage funding;
- the impact of present or future environmental legislation and compliance with environmental laws;
- acts of war or terrorism, including the consequences of terrorist attacks;
- acts of God, including earthquakes, hurricanes, floods and other natural disasters, which may result in uninsured losses;
- cost of compliance with the Americans with Disabilities Act;
- changes in general economic or local conditions;

- changes in supply of or demand for similar or competing properties in an area;
- the impact of permanent mortgage funds, which may render the sale of a property difficult or unattractive; and
- periods of high interest rates and tight money supply.

If any of these or similar events occur, it may reduce our return from an affected property or investment and reduce or eliminate our ability to make distributions to stockholders.

Your investment return may be reduced if we are required to register as an investment company under the U.S. Investment Company Act of 1940 (and similar legislation in other jurisdictions); if we or our subsidiaries become an unregistered investment company, we could not continue our business.

Neither we nor any of our subsidiaries intend to register as investment companies under the U.S. Investment Company Act of 1940, as amended, and the rules thereunder (and similar legislation in other jurisdictions) (the "Investment Company Act"). If we or our subsidiaries were obligated to register as investment companies, we would have to comply with a variety of substantive requirements under the Investment Company Act that impose, among other things:

- limitations on capital structure;
- restrictions on specified investments;
- prohibitions on transactions with affiliates; and
- compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly increase our operating expenses.

Under the relevant provisions of Section 3(a)(1) of the Investment Company Act, an investment company is any issuer that:

- is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities (the "primarily engaged test"); or
- is engaged or proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire "investment securities" having a value exceeding 40% of the value of such issuer's total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis (the "40% test"). "Investment securities" excludes U.S. government securities and securities of majority-owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company under Section 3(c)(1) or Section 3(c)(7) (relating to private investment companies).

We believe that neither we nor our Operating Partnership will be required to register as an investment company. With respect to the 40% test, the entities through which we and our Operating Partnership intend to own our assets will be majority-owned subsidiaries that are not themselves investment companies and are not relying on the exceptions from the definition of investment company under Section 3(c)(1) or Section 3(c)(7).

With respect to the primarily engaged test, we and our Operating Partnership are holding companies and do not intend to invest or trade in securities ourselves. Rather, through the majority-owned subsidiaries of our Operating Partnership, we and our Operating Partnership are primarily engaged in the non-investment company businesses of these subsidiaries, namely the business of purchasing or otherwise acquiring real estate and real estate-related assets.

To maintain compliance with the Investment Company Act, our subsidiaries may be unable to sell assets we would otherwise want them to sell and may need to sell assets we would otherwise wish them to retain. In addition, our subsidiaries may have to acquire additional assets that they might not otherwise have acquired or may have to forgo opportunities to make investments that we would otherwise want them to make and would be important to our investment strategy. Moreover, the SEC or its staff may issue interpretations with respect to various types of assets that are contrary to our views and current SEC staff interpretations are subject to change, which increases the risk of non-compliance and the risk that we may be forced to make adverse changes to our portfolio. If we were required to register as an investment company but failed to do so, we would be prohibited from engaging in our business and criminal and civil actions could be brought against us. In addition, our contracts would be unenforceable unless a court required enforcement and a court could appoint a receiver to take control of us and liquidate our business.

If a major tenant declares bankruptcy, we may be unable to collect balances due under its leases, which would have a harmful effect on our financial condition and ability to pay distributions to you.

Our success will depend on the financial ability of our tenants to remain current with their leases with us. We may experience concentration in one or more tenants if the future leases we have with those tenants represent a significant percentage of our operations. Currently, we have three tenants that each account for more than 10% of our rental revenue (Pratt and Whitney Corporation with respect to the Huntsville, AL property; the General Services Administration with respect to the two-tenant office building in Norfolk, VA and PRA Holding with respect to the single tenant building in Norfolk, VA). Any of our current or future tenants, or any guarantor of one of our current or future tenant's lease obligations, could be subject to a bankruptcy proceeding pursuant to Title 11 of the bankruptcy laws of the United States. Such a bankruptcy filing would bar us from attempting to collect pre-bankruptcy debts from the bankrupt tenant or its properties unless we receive an enabling order from the bankruptcy court. Post-bankruptcy debts would be paid currently. If we assume a lease, all pre-bankruptcy balances owing under it must be paid in full. If a lease is rejected by a tenant in bankruptcy, we would have a general unsecured claim for damages. This claim could be paid only in the event funds were available, and then only in the same percentage as that realized on other unsecured claims.

The bankruptcy of a current or future tenant or lease guarantor could delay our efforts to collect past due balances under the relevant lease, and could ultimately preclude full collection of these sums. Such an event also could cause a decrease or cessation of current rental payments, reducing our operating cash flows and the amount available for distributions to you. In the event a current or future tenant or lease guarantor declares bankruptcy, the tenant or its director may not assume our lease or its guaranty. If a given lease or guaranty is not assumed, our operating cash flows and the amounts available for distributions to you may be adversely affected. The bankruptcy of a major tenant would have a harmful effect on our ability to pay distributions to you.

A high concentration of our properties in a particular geographic area, or with tenants in a similar industry, would magnify the effects of downturns in that geographic area or industry.

We plan to focus our acquisition efforts on major primary and coastal markets. We currently own six properties, which are located in Virginia (2 properties), Florida (2 properties), Alabama (1 property) and Washington, D.C. (1 property). In the event that we have a concentration of properties in any particular geographic area, any adverse situation that disproportionately affects that geographic area, such as a local economic downturn or a severe natural disaster, would have a magnified adverse effect on our portfolio. Similarly, if tenants of our properties become concentrated in a certain industry or industries or in any particular tenant, any adverse effect to that industry or tenant generally would have a disproportionately adverse effect on our portfolio.

If a sale-leaseback transaction is re-characterized in a tenant's bankruptcy proceeding, our financial condition could be adversely affected.

We may enter into sale-leaseback transactions, whereby we would purchase a property and then lease the same property back to the person from whom we purchased it. In the event of the bankruptcy of a tenant, a transaction structured as a sale-leaseback may be re-characterized as either a financing or a joint venture (which is generally classified as Redeemable Non-Controlling Interest or Non-Redeemable Non-Controlling Interest in our Operating Partnership), either of which outcomes could adversely affect our business. If the sale-leaseback were re-characterized as a financing, we might not be considered the owner of the property, and as a result would have the status of a creditor in relation to the tenant. In that event, we would no longer have the right to sell or encumber our ownership interest in the property. Instead, we would have a claim against the tenant for the amounts owed under the lease, with the claim arguably secured by the property. The tenant/debtor might have the ability to propose a plan restructuring the term, interest rate and amortization schedule of its outstanding balance. If confirmed by the bankruptcy court, we could be bound by the new terms, and prevented from foreclosing our lien on the property. If the sale-leaseback were re-characterized as a joint venture, our lessee and we could be treated asco-venturers with regard to the property. As a result, we could be held liable, under some circumstances, for debts incurred by the lessee relating to the property. Either of these outcomes could adversely affect our cash flow and the amount available for distributions to you.

We may obtain only limited warranties when we purchase a property and would have only limited recourse in the event our due diligence did not identify any issues that lower the value of our property.

The seller of a property often sells such property in its "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, purchase agreements may contain only limited warranties, representations and indemnifications that will only survive for a limited period after the closing. Thus, the purchase of properties with limited warranties increases the risk that we may lose some or all of our invested capital in the property as well as the loss of rental income from that property.

Our real estate investments may include special use single-tenant properties that may be difficult to sell orre-lease upon lease terminations.

We have invested and intend to invest primarily in single-tenant, income-producing commercial retail, office and industrial properties, a number of which may include special use single-tenant properties. If the leases on these properties are terminated or not renewed, we may have difficulty re-leasing or selling these properties to new tenants due to the lack of efficient alternate uses for such properties. Therefore, we may be required to expend substantial funds to renovate and/or adapt any such property for a revenue-generating alternate use or make rent concessions in order to lease the property to another tenant or sell the property. These and other limitations may adversely affect the cash flows from, lead to a decline in value of or eliminate the return on investment of, these special use single-tenant properties.

We may be unable to secure funds for future tenant improvements, build outs or capital needs, which could adversely impact our ability to pay cash distributions to our stockholders.

When tenants do not renew their leases or otherwise vacate their space, it is usual that, in order to attract replacement tenants, we will be required to expend substantial funds for tenant improvements, tenant refurbishments or tenant-specific build outs to the vacated space. In addition, although we expect that our leases with tenants will require tenants to pay routine property maintenance costs, we will likely be responsible for any major structural repairs, such as repairs to the foundation, exterior walls and rooftops. We will use substantially all of the net proceeds of this offering to buy real estate and pay various fees and expenses. Accordingly, if we need additional capital in the future to improve or maintain our properties or for any other reason, we will have to obtain financing from other sources, such as cash flow from operations, borrowings, property sales or future equity offerings. These sources of funding may not be available on attractive terms or at all. If we cannot procure additional funding for capital improvements, our investments may generate lower cash flows or decline in value, or both.

Our inability to sell a property when we desire to do so could adversely impact our ability to pay cash distributions to you.

The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rates, supply and demand, and other factors that are beyond our control. We cannot predict whether we will be able to sell any property for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We may be required to expend funds to correct defects or to make improvements before a property can be sold. We may not have adequate funds available to correct such defects or to make such improvements. Moreover, in acquiring a property, we may agree to restrictions that prohibit the sale of that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed or repaid on that property. We cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. Our inability to sell a property when we desire to do so may cause us to reduce our selling price for the property, and could adversely impact our ability to pay distributions to you.

We may not be able to sell our properties at a price equal to, or greater than, the price for which we purchased such property, which may lead to a decrease in the value of our assets.

Some of our leases may not contain rental increases over time, or the rental increases may be less than the fair market rate at a future point in time. In such event, the value of the leased property to a potential purchaser may not increase over time, which may restrict our ability to sell that property, or if we are able to sell that property, may result in a sale price less than the price that we paid to purchase the property.

We may acquire or finance properties with lock-out provisions, which may prohibit us from selling a property, or may require us to maintain specified debt levels for a period of years on some properties.

Lock-out provisions could materially restrict us from selling or otherwise disposing of or refinancing properties. These provisions would affect our ability to turn our investments into cash and thus affect cash available for distributions to you. Lock-out provisions may prohibit us from reducing the outstanding indebtedness with respect to any properties, refinancing such indebtedness on a non-recourse basis at maturity, or increasing the amount of indebtedness with respect to such properties. Lock-out provisions could impair our ability to take other actions during thelock-out period that could be in the best interests of our stockholders and, therefore, may have an adverse impact on the value of the shares, relative to the value that would result if the lock-out provisions did not exist. In particular, lock-out provisions could preclude us from participating in major transactions that could result in a disposition of our assets or a change in control even though that disposition or change in control might be in the best interests of our stockholders.

Rising expenses could reduce cash flow and funds available for future acquisitions.

Our properties are subject to operating risks common to real estate in general, any or all of which may negatively affect us. If any property is not fully occupied or if rents are being paid in an amount that is insufficient to cover operating expenses, we could be required to expend funds with respect to that property for operating expenses. The properties will be subject to increases in tax rates, utility costs, operating expenses, insurance costs, repairs and maintenance and administrative expenses. While we expect that many of our properties will be leased on a net-lease basis or will require the tenants to pay all or a portion of such expenses, renewals of leases or future leases may not be negotiated on that basis, in which event we may have to pay those costs. If we are unable to lease properties on a net-lease basis or on a basis requiring the tenants to pay all or some of such expenses, or if tenants fail to pay required tax, utility and other impositions, we could be required to pay those costs which could adversely affect funds available for future acquisitions or cash available for distributions.

Adverse economic conditions may negatively affect our returns and profitability.

Our operating results may be affected by the following market and economic challenges, which may result from a continued or exacerbated general economic slowdown experienced by the nation as a whole or by the local economics where our properties are located:

- poor economic conditions may result in tenant defaults under leases;
- re-leasing may require concessions or reduced rental rates under the new leases; and
- increased insurance premiums may reduce funds available for distribution or, to the extent such increases are passed through to tenants, may lead to tenant defaults. Increased insurance premiums may make it difficult to increase rents to tenants on turnover, which may adversely affect our ability to increase our returns.

The length and severity of any economic downturn cannot be predicted. Our operations could be negatively affected in the event of an economic downturn.

Increased vacancy rates could have an adverse impact on our ability to make distributions and the value of an investment in our shares.

If we experience vacancy rates that are higher than historical vacancy rates, we may have to offer lower rental rates and greater tenant improvements or concessions than expected. Increased vacancies may have a greater impact on us, as compared to real estate investment programs with other investment strategies, as our investment approach relies on long-term leases in order to provide a relatively stable stream of income for our business. As a result, increased vacancy rates could have the following negative effects on us:

- the values of our potential investments in commercial properties could decrease below the amount paid for such investments;
- revenues from such properties could decrease due to low or no rental income during vacant periods, lower future rental rates and/or increased tenant improvement expenses or concessions; and/or
- revenues from such properties that secure loans could decrease, making it more difficult for us to meet our payment obligations.

All of these factors could impair our ability to make distributions and decrease the value of an investment in our shares.

Global market and economic conditions may materially and adversely affect us and our tenants.

If the U.S. economy were to experience adverse economic conditions such as high unemployment levels, interest rates, tax rates and fuel and energy costs may have an impact on the results of operations and financial conditions of our tenants. During periods of economic slowdown, rising interest rates and declining demand for real estate may result in a general decline in rents or an increased incidence of lease defaults. Volatility in the United States and global markets can make it difficult to determine the breadth and duration of the impact of future economic and financial market crises and the ways in which our tenants and our business may be affected. A lack of demand for rental space could adversely affect our ability to gain new tenants, which may affect our growth and profitability. Accordingly, the adverse economic conditions could materially and adversely affect us.

We may be adversely affected by unfavorable economic changes in the specific geographic areas where our investments are concentrated.

Adverse conditions (including business layoffs or downsizing, the impact of disruptions in global trade agreements or the imposition of tariffs, industry slowdowns, changing demographics and other factors) in the areas where our investments are located and/or concentrated, and local real estate conditions (such as oversupply of, or reduced demand for, office, industrial, retail or multifamily properties) may have an adverse effect on the value of our investments. A material decline in the demand or the ability of tenants to pay rent for office, industrial or retail space in these geographic areas may result in a material decline in our cash available for distribution to our stockholders.

We may recognize substantial impairment charges on our properties.

We may in the future incur substantial impairment charges, which we are required to recognize whenever we sell a property for less than its carrying value or we determine that the carrying amount of the property is not recoverable and exceeds its fair value (or, for direct financing leases, that the unguaranteed residual value of the underlying property has declined). By their nature, the timing or extent of impairment charges are not predictable. We may incur non-cash impairment charges in the future, which may reduce our net income.

If we suffer losses that are not covered by insurance or that are in excess of insurance coverage, we could lose invested capital and anticipated profits.

Generally, each of our tenants will be responsible for insuring its goods and premises and, in some circumstances, may be required to reimburse us for a share of the cost of acquiring comprehensive insurance for the property, including casualty, liability, fire and extended coverage customarily obtained for similar properties in amounts that we determine are sufficient to cover reasonably foreseeable losses. Tenants of single-tenant properties leased on a net-lease basis typically are required to pay all insurance costs associated with those properties. Material losses may occur in excess of insurance proceeds with respect to any property, as insurance may not be sufficient to fund the losses. However, there are types of losses, generally of a catastrophic nature, such as losses due to wars, acts of terrorism, earthquakes, floods, hurricanes, pollution or environmental matters, which are either uninsurable or not economically insurable, or may be insured subject to limitations, such as large deductibles or co-payments. Insurance risks associated with potential terrorism acts could sharply increase the premiums we pay for coverage against property and casualty claims. Additionally, mortgage lenders in some cases have begun to insist that commercial property owners purchase specific coverage against terrorism as a condition for providing mortgage loans. It is uncertain whether such insurance policies will be available, or available at reasonable cost, which could inhibit our ability to finance or refinance our potential properties. In these instances, we may be required to provide other financial support, either through financial assurances or self-insurance, to cover potential losses. We may not have adequate, or any, coverage for such losses. The Terrorism Risk Insurance Act of 2002 is designed for a sharing of terrorism losses between insurance companies and the federal government, and expires on December 31, 2020. There is no assurance that Congress will extend the insurance beyond 2020. We cannot be certain how this act will impact us or what additional cost to us, if any, could result. If such an event damaged or destroyed one or more of our properties, we could lose both our invested capital and anticipated profits from such property.

Real estate related taxes may increase and if these increases are not passed on to tenants, our income will be reduced.

Some local real property tax assessors may seek to reassess some of our properties as a result of our acquisition of the property. Generally, from time to time, our property taxes may increase as property values or assessment rates change or for other reasons deemed relevant by the assessors. An increase in the assessed valuation of a property for real estate tax purposes will result in an increase in the related real estate taxes on that property. Although some tenant leases may permit us to pass through such tax increases to the tenants for payment, there is no assurance that renewal leases or future leases will be negotiated on the same basis. Increases not passed through to tenants will adversely affect our income, cash available for distributions, and the amount of distributions to you.

We could be exposed to environmental liabilities with respect to investments to which we take title.

In the course of our business, and taking title to properties, we could be subject to environmental liabilities with respect to such properties. In such a circumstance, we may be held liable to a governmental entity or to third parties for property damage, personal injury, investigation and cleanup costs incurred by these parties in connection with environmental contamination, or we may be required to investigate or clean up hazardous or toxic substances or chemical releases at a property. The costs associated with investigation or remediation activities could be substantial. If we become subject to significant environmental liabilities, our business, financial condition, liquidity and results of operations could be materially and adversely affected.

Properties may contain toxic and hazardous materials.

Federal, state and local laws impose liability on a landowner for releases or the otherwise improper presence on the premises of hazardous substances. This liability is without regard to fault for, or knowledge of, the presence of such substances. A landowner may be held liable for hazardous materials brought onto the property before it acquired title and for hazardous materials that are not discovered until after it sells the property. Similar liability may occur under applicable state law. If any hazardous materials are found within a property that are in violation of law at any time, we may be liable for all cleanup costs, fines, penalties and other costs. This potential liability will continue after we sell the investment and may apply to hazardous materials present within the property before we acquired such property. If losses arise from hazardous substance contamination which cannot be recovered from a responsible party, the financial viability of that property may be substantially affected. It is possible that we will acquire an investment with known or unknown environmental problems which may adversely affect us.

Properties may contain mold.

Mold contamination has been linked to a number of health problems, resulting in recent litigation by tenants seeking various remedies, including damages and ability to terminate their leases. Originally occurring in residential property, mold claims have recently begun to appear in commercial properties as well. Several insurance companies have reported a substantial increase in mold-related claims, causing a growing concern that real estate owners might be subject to increasing lawsuits regarding mold contamination. No assurance can be given that a mold condition will not exist at one or more of our properties, with the risk of substantial damages, legal fees and possibly loss of tenants. It is unclear whether such mold claims would be covered by the customary insurance policies we obtain.

Liability relating to environmental matters may impact the value of the properties that we may acquire or underlying our investments.

Under various U.S. federal, state and local laws, an owner or operator of real property may become liable for the costs of removal of certain hazardous substances released on its property. These laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of such hazardous substances. If we fail to disclose environmental issues, we could also be liable to a buyer or lessee of a property.

There may be environmental problems associated with our properties which we were unaware of at the time of acquisition. The presence of hazardous substances may adversely affect our ability to sell real estate, including the affected property, or borrow using real estate as collateral. The presence of hazardous substances, if any, on our properties may cause us to incur substantial remediation costs, thus harming our financial condition. In addition, although our leases will generally require our tenants to operate in compliance with all applicable laws and to indemnify us against any environmental liabilities arising from a tenant's activities on the property, we nonetheless would be subject to strict liability by virtue of our ownership interest for environmental liabilities created by such tenants, and we cannot assure you that any of our tenants we might have would satisfy their indemnification obligations under the applicable sales agreement or lease. The discovery of material environmental liabilities attached to such properties could have a material adverse effect on our results of operations and financial condition and our ability to make distributions to our stockholders.

Discovery of previously undetected environmentally hazardous conditions, including mold or asbestos, may lead to liability for adverse health effects and costs of remediating the problem could adversely affect our operating results.

Under various U.S. federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real property may be liable for the cost of removal or remediation of hazardous or toxic substances on, under or in such property. The costs of removal or remediation could be substantial. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. Environmental laws also may impose restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures. Environmental laws provide for sanctions in the event of noncompliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for release of and exposure to hazardous substances, including asbestos-containing materials into the air, and third parties may seek recovery from owners or operators of real properties for personal injury or property damage associated with exposure to released hazardous substances. The cost of defending against claims of

liability, of compliance with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims related to any contaminated property could materially adversely affect our business, assets or results of operations and, consequently, amounts available for distribution to our security holders.

We own one of our properties through a joint venture (which is generally classified as Redeemable Non-Controlling Interest or Non-Redeemable Non-Controlling Interest in our Operating Partnership), which may lead to disagreements with our joint venture partner and adversely affect our interest in the joint venture.

We currently own one property through a joint venture and we may enter into additional joint ventures in the future. Our joint venture partner, as well as any future partners, may have interests that are different from ours which may result in conflicting views as to the conduct of the business of the joint venture. In the event that we have a disagreement with a joint venture partner as to the resolution of a particular issue to come before the joint venture, or as to the management or conduct of the business of the joint venture in general, we may not be able to resolve such disagreement in our favor and such disagreement could have a material adverse effect on our interest in the joint venture.

In addition, investments made in partnerships or other co-ownership arrangements involve risks not otherwise present in investments we make, including the following risks:

- that our co-venturer or partner in an investment could become insolvent or bankrupt;
- that our co-venturer or partner may at any time have economic or business interests or goals that are or that become inconsistent with our business interests or goals
- that the co-venturer or partner could take actions that decrease the value of an investment to us; or
- that the co-venturer or partner may be in a position to take action contrary to our instructions or requests or contrary to our policies or objectives.

Any of the risks above might subject us to liabilities and thus reduce our returns on our investment with that co-venturer or partner.

We may invest in real estate-related investments, including joint ventures and co-investment arrangements.

We expect to primarily invest in properties as sole owner. However, we may, in our management's sole discretion subject to our investment guidelines and available capital, invest as a joint venture partner or co-investor in an investment. In such event, we generally anticipate owning a controlling interest in the joint venture or co-investment vehicle. However, our joint venture partner or co-investor may have a consent or similar right with respect to certain major decisions with respect to an investment, including a refinancing, sale or other disposition. Additionally, we may rely on our joint venture partner or co-investor to act as the property manager or developer, and, thus, our returns will be subject to the performance of our joint venture partner or co-investor. While our management does not intend for these types of investments to be a primary focus of our company, our management may make such investments in its sole discretion.

CC&Rs may restrict our ability to operate a property.

Some of our properties are contiguous to other parcels of real property, comprising part of the same commercial center. In connection with such properties, there are significant covenants, conditions and restrictions ("CC&Rs") restricting the operation of such properties and any improvements on such properties, and related to granting easements on such properties. Moreover, the operation and management of the contiguous properties may impact such properties. Compliance with CC&Rs may adversely affect our operating costs and reduce the amount of funds that we have available to pay distributions.

Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks.

We may acquire and develop properties upon which we will construct improvements. We will be subject to uncertainties associated with re-zoning for development, environmental concerns of governmental entities and/or community groups, and our builder's ability to build in conformity with plans, specifications, budgeted costs, and timetables. If a builder fails to perform, we may resort to legal action to rescind the purchase or the construction contract or to compel performance. A builder's performance may also be affected or delayed by conditions beyond the builder's control. Delays in completion of construction could also give tenants the right to terminate preconstruction leases. We may incur additional risks when we make periodic progress payments or other advances to builders before they complete construction. These and other such factors can result in increased costs of a project or loss of our investment. In addition, we will be subject to normal lease-up risks relating to newly constructed projects. We also must rely on rental income and expense projections and estimates of the fair market value of property upon completion of construction when agreeing upon a price at the time we acquire the property. If our projections are inaccurate, we may pay too much for a property, and our return on our investment could suffer.

We may invest in unimproved real property. Returns from development of unimproved properties are also subject to risks associated with re-zoning the land for development and environmental concerns of governmental entities and/or community groups. Although we intend to limit any investment in unimproved property to property we intend to develop, your investment nevertheless is subject to the risks associated with investments in unimproved real property.

Competition with third parties in acquiring properties and other investments may reduce our profitability and the return on your investment.

We compete with many other entities engaged in real estate investment activities, including individuals, corporations, bank and insurance company investment accounts, REITs, real estate limited partnerships, and other entities engaged in real estate investment activities, many of which have greater resources than we do. Larger competitors may enjoy significant competitive advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies. In addition, the number of entities and the amount of funds competing for suitable investments may increase. Any such increase would result in increased demand for these assets and therefore possibly increased prices paid for them. If we pay higher prices for properties and other investments, our profitability may be reduced and you may experience a lower return on your investment.

Our properties may face competition that could reduce the amount of rent paid to us, which would reduce the cash available for distributions and the amount of distributions.

We expect that our properties will typically be located in developed areas. Therefore, there are and will be numerous other properties within the market area of each of our properties that will compete with us for tenants. The number of competitive properties could have a material effect on our ability to rent space at our properties and the amount of rents charged. We could be adversely affected if additional competitive properties are built in locations competitive with our properties, causing increased competition for customer traffic and creditworthy tenants. This could result in decreased cash flow from tenants and may require us to make capital improvements to properties that we would not have otherwise made, thus affecting cash available for distributions, and the amount available for distributions to you.

Costs of complying with governmental laws and regulations, including those relating to environmental matters, may adversely affect our income and the cash available for any distributions.

All real property and the operations conducted on real property are subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. 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, and the remediation of contamination associated with disposals. Environmental laws and regulations may impose joint and several liability on tenants, owners or operators for the costs to investigate or remediate contaminated properties, regardless of fault or whether the acts causing the contamination were legal. This liability could be substantial. In addition, the presence of hazardous substances, or the failure to properly remediate these substances, may adversely affect our ability to sell, rent or pledge such property as collateral for future borrowings.

Some of these laws and regulations have been amended so as to require compliance with new or more stringent standards as of future dates. Compliance with new or more stringent laws or regulations or stricter interpretation of existing laws may require material expenditures by us. Future laws, ordinances or regulations may impose material environmental liability. Additionally, several conditions, such as our tenants' operations, the existing condition of land when we buy it, operations in the vicinity of our properties, such as the presence of underground storage tanks, or activities of unrelated third parties, may affect our properties. In addition, there are various local, state and federal fire, health, life-safety and similar regulations with which we may be required to comply, and that may subject us to liability in the form of fines or damages for noncompliance. Any material expenditures, fines, or damages we must pay will reduce our ability to make distributions and may reduce the value of your investment.

State and federal laws in this area are constantly evolving, and we intend to monitor these laws and take commercially reasonable steps to protect ourselves from the impact of these laws, including obtaining environmental assessments of most properties that we acquire; however, we will not obtain an independent third-party environmental assessment for every property we acquire. In addition, any such assessment that we do obtain may not reveal all environmental liabilities or that a prior owner of a property did not create a material environmental condition not known to us. The cost of defending against claims of liability, of compliance with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims would materially adversely affect our business, assets or results of operations and, consequently, amounts available for distribution to you.

Inflation and changes in interest rates may materially and adversely affect us and our tenants.

A rise in inflation may result in a rate of inflation greater than the increases in rent that we anticipate may be provided by many of our leases. Increased costs may have an adverse impact on our tenants if increases in their operating expenses exceed increases in revenue, which may adversely affect the tenants' ability to pay rent owed to us.

In addition, to the extent that we incur variable rate debt, increases in interest rates would increase our interest costs, which could reduce our cash flows and our ability to pay distributions to you. Furthermore, if we need to repay existing debt during periods of rising interest rates, we could be required to liquidate one or more of our investments in properties at times that may not permit realization of the maximum return on such investments.

Properties that have vacancies for a significant period of time could be difficult to sell, which could diminish the return on your investment.

A property may incur vacancies either by the continued default of a tenant under its lease, the expiration of a tenant lease or early termination of a lease by a tenant. If vacancies continue for a long period of time, we may suffer reduced revenues resulting in less cash available to be distributed to you. In addition, because a property's market value depends principally upon the value of the property's leases, the resale value of a property with prolonged vacancies could decline, which could further reduce your return.

Our costs associated with complying with the Americans with Disabilities Act may affect cash available for distributions.

Our properties will be subject to the Americans with Disabilities Act of 1990 (the "Disabilities Act"). Under the Disabilities Act, all places of public accommodation are required to comply with federal requirements related to access and use by disabled persons. The Disabilities Act has separate compliance requirements for "public accommodations" and "commercial facilities" that generally require that buildings and services, including restaurants and retail stores, be made accessible and available to people with disabilities. The Disabilities Act's requirements could require removal of access barriers and could result in the imposition of injunctive relief, monetary penalties, or, in some cases, an award of damages. We will attempt to acquire properties that comply with the Disabilities Act or place the burden on the seller or other third party, such as a tenant, to ensure compliance with the Disabilities Act. However, we cannot assure you that we will be able to acquire properties or allocate responsibilities in this manner. If we cannot, our funds used for Disabilities Act compliance will reduce the cash available for distributions and the amount of distributions to you.

We are exposed to risks related to increases in market lease rates and inflation, as income from long-term leases will be the primary source of our cash flow from operations.

We are exposed to risks related to increases in market lease rates and inflation, as income from long-term leases will be the primary source of our cash flow from operations. Leases of long-term duration or which include renewal options that specify a maximum rate increase may result in below-market lease rates over time if we do not accurately estimate inflation or market lease rates. Provisions of our leases designed to mitigate the risk of inflation and unexpected increases in market lease rates, such as periodic rental increases, may not adequately protect us from the impact of inflation or unexpected increases in market lease rates. If we are subject to below-market lease rates on a significant number of our properties pursuant to long-term leases, our cash flow from operations and financial position may be adversely affected.

We may not be able to re-lease or renew leases at our properties on terms favorable to us or at all.

We are subject to risks that upon expiration or earlier termination of the leases for space at our properties, the space may not be released or, if re-leased, the terms of the renewal or re-leasing (including the costs of required renovations or concessions to tenants) may be less favorable than current lease terms. Any of these situations may result in extended periods where there is a significant decline in revenues or no revenues generated by an investment. If we are unable to re-lease or renew leases for all or substantially all of the spaces at these investments, if the rental rates upon such renewal orre-leasing are significantly lower than expected, if our reserves for these purposes prove inadequate, or if we are required to make significant renovations or concessions to tenants as part of the renewal or re-leasing process, we will experience a reduction in net income and may be required to reduce or eliminate distributions to our stockholders.

Lease defaults or terminations or landlord-tenant disputes may adversely reduce our income from our property portfolio.

Lease defaults or terminations by one or more of our significant tenants may reduce our revenues unless a default is cured or a suitable replacement tenant is found promptly. In addition, disputes may arise between us and a tenant that result in the tenant withholding rent payments, possibly for an extended period. These disputes may lead to litigation or other legal procedures to secure payment of the rent withheld or to evict the tenant. In other circumstances, a tenant may have a contractual right to abate or suspend rent payments. Even without such right, a tenant might determine to do so. Any of these situations may result in extended periods during which there is a significant decline in revenues or no revenues generated by the property. If this were to occur, it could adversely affect our results of operations.

Net leases may not result in fair market lease rates over time, which could negatively impact our income and reduce the amount of funds available to make distributions to our stockholders.

A significant portion of our rental income is expected to come from net leases, which generally provide the tenant greater discretion in using the leased property than ordinary property leases, such as the right to freely sublease the property, to make alterations in the leased premises and to terminate the lease prior to its expiration under specified circumstances. Furthermore, net leases typically have longer lease terms and, thus, there is an increased risk that contractual rental increases in future years will fail to result in fair market rental rates during those years. As a result, our income and distributions to our stockholders could be lower than they would otherwise be if we did not engage in net leases.

Risks Associated with Debt Financing

We have used and may continue to use mortgage and other debt financing to acquire properties or interests in properties and otherwise incur other indebtedness, which increases our expenses and could subject us to the risk of losing properties in foreclosure if our cash flow is insufficient to make loan payments.

We are permitted to acquire real properties and other real estate-related investments, including entity acquisitions, by assuming either existing financing secured by the asset or by borrowing new funds. In addition, we may incur or increase our mortgage debt by obtaining loans secured by some or all of our assets to obtain funds to acquire additional investments or to pay distributions to our stockholders. We also may borrow funds, if necessary, to satisfy the requirement that we distribute at least 90% of our annual "REIT taxable income," or otherwise as is necessary or advisable to assure that we may qualify as a REIT for federal income tax purposes at such time as our Board of Directors determines is in our best interest.

As of December 18, 2019, we had total cash (unrestricted and restricted) of approximately $1.6 million, properties with a cost basis of $38.7 million and outstanding debt of approximately $28.5 million.

There is no limit on the amount we may invest in any single property or other asset or on the amount we can borrow to purchase any individual property or other investment. If we mortgage a property and have insufficient cash flow to service the debt, we risk an event of default which may result in our lenders foreclosing on the properties securing the mortgage.

If we cannot repay or refinance loans incurred to purchase our properties, or interests therein, then we may lose our interests in the properties secured by the loans we are unable to repay or refinance.

High levels of debt or increases in interest rates could increase the amount of our loan payments, which could reduce the cash available for distribution to stockholders.

Our policies do not limit us from incurring debt. For purposes of calculating our leverage, we assume full consolidation of all of our real estate investments, whether or not they would be consolidated under GAAP, include assets we have classified as held for sale, and include any joint venture level indebtedness in our total indebtedness.

High debt levels will cause us to incur higher interest charges, resulting in higher debt service payments, and may be accompanied by restrictive covenants. Interest we pay reduces cash available for distribution to stockholders. Additionally, with respect to our variable rate debt, increases in interest rates increase our interest costs, which reduces our cash flow and our ability to make distributions to you. In addition, if we need to repay existing debt during periods of rising interest rates, we could be required to liquidate one or more of our investments in properties at times which may not permit realization of the maximum return on such investments and could result in a loss. In addition, if we are unable to service our debt payments, our lenders may foreclose on our interests in the real property that secures the loans we have entered into.

High mortgage rates may make it difficult for us to finance or refinance properties, which could reduce the number of properties we can acquire, our cash flow from operations and the amount of cash distributions we can make.

To qualify as a REIT, we will be required to distribute at least 90% of our annual taxable income (excluding net capital gains) to our stockholders in each taxable year, and thus our ability to retain internally generated cash is limited. Accordingly, our ability to acquire properties or to make capital improvements to or remodel properties will depend on our ability to obtain debt or equity financing from third parties or the sellers of properties. If mortgage debt is unavailable at reasonable rates, we may not be able to finance the purchase of properties. If we place mortgage debt on properties, we run the risk of being unable to refinance the properties when the debt becomes due or of being unable to refinance on favorable terms. If interest rates are higher when we refinance the properties, our income could be reduced. We may be unable to refinance properties. If any of these events occurs, our cash flow would be reduced. This, in turn, would reduce cash available for distribution to you and may hinder our ability to raise capital by issuing more stock or borrowing more money.

Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to make distributions to you.

When providing financing, a lender may impose restrictions on us that affect our distribution and operating policies and our ability to incur additional debt. Loan documents we enter into may contain covenants that limit our ability to further mortgage the property, discontinue insurance coverage, or replace our property manager. These or other limitations may limit our flexibility and prevent us from achieving our operating plans.

As of February 12, 2020, we had four promissory notes totaling approximately $28.2 million, of which one promissory note in the amount of approximately $3.4 million requires us to maintain a debt service coverage ratio (also known as a "DSCR") of 1.10:1.0 and three promissory notes totaling approximately $24.8 million require our properties to maintain a DSCR of 1.25:1.0. These loan agreements contain standard affirmative and negative covenants, including prohibitions on additional liens on the collateral, financial reporting obligations and maintenance of insurance, in addition to the DSCR covenants described above. These covenants, as well as any future covenants we may enter into through further loan agreements, could inhibit our financial flexibility in the future and prevent distributions to stockholders.

Some of our mortgage loans may have "due on sale" provisions, which may impact the manner in which we acquire, sell and/or finance our properties.

In purchasing properties subject to financing, we may obtain financing with"due-on-sale" and/or "due-on-encumbrance" clauses. Due-on sale clauses in mortgages allow a mortgage lender to demand full repayment of the mortgage loan if the borrower sells the mortgaged property. Similarly, due-on-encumbrance clauses allow a mortgage lender to demand full repayment if the borrower uses the real estate securing the mortgage loan as security for another loan. In such event, we may be required to sell our properties on an all-cash basis, which may make it more difficult to sell the property or reduce the selling price.

Lenders may be able to recover against our other properties under our mortgage loans.

In financing our acquisitions, we will seek to obtain secured nonrecourse loans. However, only recourse financing may be available, in which event, in addition to the property securing the loan, the lender would have the ability to look to our other assets for satisfaction of the debt if the proceeds from the sale or other disposition of the property securing the loan are insufficient to fully repay it. Also, in order to facilitate the sale of a property, we may allow the buyer to purchase the property subject to an existing loan whereby we remain responsible for the debt.

If we are required to make payments under any "bad boy"carve-out guaranties that we may provide in connection with certain mortgages and related loans, our business and financial results could be materially adversely affected.

In obtaining certain nonrecourse loans, we may provide standard carve-out guaranties. These guaranties are only applicable if and when the borrower directly, or indirectly through agreement with an affiliate, joint venture partner or other third party, voluntarily files a bankruptcy or similar liquidation or reorganization action or takes other actions that are fraudulent or improper (commonly referred to as "bad boy" guaranties). Although we believe that "bad boy" carve-out guaranties are not guaranties of payment in the event of foreclosure or other actions of the foreclosing lender that are beyond the borrower's control, some lenders in the real estate industry have recently sought to make claims for payment under such guaranties. In the event such a claim were made against us under a "bad boy" carve-out guaranty following foreclosure on mortgages or related loan, and such claim were successful, our business and financial results could be materially adversely affected.

Interest-only indebtedness may increase our risk of default and ultimately may reduce our funds available for distribution to our stockholders.

We may finance our property acquisitions using interest-only mortgage indebtedness. During the interest-only period, the amount of each scheduled payment will be less than that of a traditional amortizing mortgage loan. The principal balance of the mortgage loan will not be reduced (except in the case of prepayments) because there are no scheduled monthly payments of principal during this period. After the interest-only period, we will be required either to make scheduled payments of amortized principal and interest or to make a lump-sum or "balloon" payment at maturity. These required principal or balloon payments will increase the amount of our scheduled payments and may increase our risk of default under the related mortgage loan. If the mortgage loan has an adjustable interest rate, the amount of our scheduled payments also may increase at a time of rising interest rates. Increased payments and substantial principal or balloon maturity payments will reduce the funds available for distribution to our stockholders because cash otherwise available for distribution will be required to pay principal and interest associated with these mortgage loans.

We may enter into derivative or hedging contracts that could expose us to contingent liabilities and certain risks and costs in the future.

Part of our investment strategy may involve entering into derivative or hedging contracts that could require us to fund cash payments in the future under certain circumstances, such as the early termination of the derivative agreement caused by an event of default or other early termination event, or the decision by a counterparty to request margin securities it is contractually owed under the terms of the derivative contract. The amount due would be equal to the unrealized loss of the open swap positions with the respective counterparty and could also include other fees and charges. These economic losses would be reflected in our financial results of operations, and our ability to fund these obligations will depend on the liquidity of our assets and access to capital at the time, and the need to fund these obligations could adversely impact our financial condition and results of operations.

Further, the cost of using derivative or hedging instruments increases as the period covered by the instrument increases and during periods of rising and volatile interest rates. We may increase our derivative or hedging activity and thus increase our related costs during periods when interest rates are volatile or rising and hedging costs have increased.

In addition, hedging instruments involve risk since they often are not traded on regulated exchanges, guaranteed by an exchange or its clearing house, or regulated by any U.S. or foreign governmental authorities. Consequently, in many cases, there are no requirements with respect to record keeping, financial responsibility or segregation of customer funds and positions. Furthermore, the enforceability of agreements underlying derivative transactions may depend on compliance with applicable statutory and commodity and other regulatory requirements and, depending on the identity of the counterparty, applicable international requirements. The business failure of a hedging counterparty with whom we enter into a hedging transaction will most likely result in a default. Default by a party with whom we enter into a hedging transaction may result in the loss of unrealized profits and force us to cover our resale commitments, if any, at the then current market price. Although generally we will seek to reserve the right to terminate our hedging positions, it may not always be possible to dispose of or close out a hedging position without the consent of the hedging counterparty, and we may not be able to enter into an offsetting contract in order to cover our risk. We cannot be assured that a liquid secondary market will exist for hedging instruments purchased or sold, and we may be required to maintain a position until exercise or expiration, which could result in losses.

Complying with REIT requirements may limit our ability to hedge risk effectively.

The REIT provisions of the Code may limit the ability of a REIT to hedge the risks inherent to its operations. From time to time, we may enter into hedging transactions with respect to one or more of our assets or liabilities. Our hedging transactions may include entering into interest rate swaps, caps and floors, options to purchase these items, and futures and forward contracts. Any income or gain derived by us from transactions that hedge certain risks, such as the risk of changes in interest rates, will not be treated as gross income for purposes of either the 75% or the 95% income test for the purposes of qualifying as a REIT, as defined below in "Material Federal Income Tax Considerations — Gross Income Tests," unless specific requirements are met. Such requirements include that the hedging transaction be properly identified within prescribed time periods and that the transaction either (1) hedges risks associated with indebtedness issued by us that is incurred to acquire or carry real estate assets or (2) manages the risks of currency fluctuations with respect to income or gain that qualifies under the 75% or 95% income test (or assets that generate such income). To the extent that we do not properly identify such transactions as hedges, hedge with other types of financial instruments, or hedge other types of indebtedness, the income from those transactions is not likely to be treated as qualifying income for purposes of the 75%- and 95%-income tests if we intended to qualify as a REIT in that taxable year. As a result of these rules, we may have to limit the use of hedging techniques that might otherwise be advantageous, which could result in greater risks associated with interest rate or other changes than we would otherwise incur.

Interest rates might increase.

Based on historical interest rates, current interest rates are low. If there is an increase in interest rates, any debt servicing on investments could be significantly higher than currently anticipated, which would reduce the amount of cash available for distribution to the stockholders. Also, rising interest rates may affect the ability of our management to refinance an investment. Investments may be less desirable to prospective purchasers in a rising interest rate environment and their values may be adversely impacted by the reduction in cash flow due to increased interest payments.

We may use floating rate, interest-only or short-term loans to acquire assets.

Our management has the right, in its sole discretion, to negotiate any debt financing, including obtaining (i) interest-only, (ii) floating rate and/or (iii) short-term loans to acquire assets. If our management obtains floating rate loans, the interest rate would not be fixed but would float with an established index (probably at higher interest rates in the future). No principal would be repaid on interest-only loans. Finally, we would be required to refinance short-term loans at the end of a relatively short period. No assurance can be given that our management would be able to refinance with fixed-rate permanent loans in the future, on favorable terms or at all, to refinance the short-term loans. In addition, no assurance can be given that the terms of such future loans to refinance the short-term loans would be favorable to our company.

We may use leverage to make investments.

Our management, in its sole discretion, may leverage our assets. As a result of the use of leverage, a decrease in revenues of a leveraged asset may materially and adversely affect that investment's cash flow and, in turn, our ability to make distributions. No assurance can be given that future cash flow of a particular asset will be sufficient to make the debt service payments on any borrowed funds for that asset and also cover operating expenses. If the investment's revenues are insufficient to pay debt service and operating expenses, we would be required to use net income from other assets, working capital or reserves, or seek additional funds. There can be no assurance that additional funds will be available, if needed, or, if such funds are available, that they will be available on terms acceptable to us.

Leveraging an asset allows a lender to foreclose on that asset.

Lenders financing an asset, even non-recourse lenders, are expected in all instances to retain the right to foreclose on that asset if there is a default in the loan terms. If this were to occur, we would likely lose our entire investment in that asset. Lenders may have approval rights with respect to an encumbered asset. A lender financing an asset will likely have numerous other rights, which may include the right to approve any change in the property manager for a particular investment.

Availability of financing and market conditions will affect the success of our company.

Market fluctuations in real estate financing may affect the availability and cost of funds needed in the future for investments. In addition, 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 investments and our ability to execute its investment goals.

Risks Related to Limited Management Personnel and Certain Conflicts of Interest

The loss of any of our executive officers could adversely affect our ability to continue operations.

We only have two employees and are therefore entirely dependent on the efforts of our President and our Chief Financial Officer. The departure of either of these employees and our inability to find suitable replacements, or the loss of other key personnel in the future, could have a harmful effect on our business.

Because we will have broad discretion to invest the net proceeds of this offering, we may make investments where the returns are substantially below expectations or which result in net operating losses.

We will have broad discretion, within the general investment criteria established by our Board, to invest the net proceeds of this offering and to determine the timing of such investments. In addition, our investment policies may be revised from time to time at the discretion of our Board, without a vote of our stockholders. Such discretion could result in investments that may not yield returns consistent with your expectations.

Our President and Chairman of the Board has guaranteed certain of our indebtedness, which could constitute a conflict of interest.

Our President and Chairman of the Board has guaranteed promissory notes for certain of our property acquisitions. As a guarantor, Mr. Sobelman's interests with respect to the debt he is guaranteeing (and the terms of any repayment or default) may not align with the Company's interests and could result in a conflict of interest.

We rely on our management team, who devote only some of their time to us and may not be in a position to devote their full-time attention to our operations, which may adversely affect our operations.

Our success depends upon the continued service provided by our management team, including Mr. Sobelman, our President and Chairman, and Mr. Russell, our Chief Financial Officer. Members of our management team have competing demands for their time and resources. Mr. Sobelman and Mr. Russell have other outside business activities which may cause conflicts of interest with respect to our operations. Pursuant to his employment agreement with us, Mr. Russell devotes up to 20 hours per week to our operations. Our operations may be sporadic and occur at times which are not convenient to Mr. Russell, which may result in periodic delays in performing his duties. Such delays could have a significant negative effect on the success of the business. To the extent the members of our management team have competing demands on their time and resources, they may have conflicts of interest in allocating their time between our business and their other activities.

There may be conflicts of interest faced by our President and Chairman of the board, who is also a managing partner in 3 Properties, which may compete with us for his business time and for business opportunities to acquire properties.

While Mr. Sobelman serves as our full-time President and Chairman of the Board pursuant to his employment agreement with us, he is also the managing member of 3 Properties, which is a business formed in 2017 that operates as a commercial real estate broker. Mr. Sobelman's business obligations and fiduciary duties with 3 Properties may limit his availability to focus on our business. If Mr. Sobelman does not devote sufficient time to us, or we are unable to obtain business opportunities to acquire properties sufficient for us to generate revenues, then our business may not succeed.

We may be subject to conflicts of interest arising out of our working with 3 Properties, a company managed by our President and Chairman of the Board.

We may purchase properties that 3 Properties has identified for the Company or where 3 Properties represents the seller of a property we purchase. For properties identified by 3 Properties, it acts as our brokerage agent for such properties. A conflict of interest may exist in such an acquisition because 3 Properties may be entitled to a real estate brokerage commission in connection with such a transaction. Any of our agreements and arrangements with 3 Properties, including those relating to compensation, are not the result of arm's length negotiations and may be in excess of the amounts we would otherwise pay to third parties for such services. The sellers of properties acquired by the Company have paid 3 Properties $230,224, $124,616 and $0 during the nine months ended September 30, 2019 and years ended December 31, 2018 and 2017, respectively, in brokerage fees for the acquisition of four properties. The Company also engaged 3 Properties to be its asset manager and has paid it $8,705, $2,191 and $0 during the nine months ended September 30, 2019 and years ended December 31, 2018 and 2017, respectively.

Federal Income Tax Risks

The Company is not currently a REIT and may never become a REIT. Failure to qualify as a REIT would adversely affect our operations and our ability to make distributions.

We have not qualified as a REIT to date and will not be able to satisfy the requirements of operating as a REIT until after this offering closes. We intend to elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020. Our qualification as a REIT will depend upon our ability to meet, through investments, actual operating results, distributions and satisfaction of specific rules, the various tests imposed by the Code. We intend to structure our activities in a manner designed to satisfy all of these requirements. However, if certain of our operations were to be recharacterized by the Internal Revenue Service (the "IRS"), such recharacterization could jeopardize our ability to satisfy all of the requirements for qualification as a REIT. We will not apply for a ruling from the IRS regarding our status as a REIT. Future legislative, judicial or administrative changes to the federal income tax laws could be applied retroactively, which could prevent our qualification or result in our disqualification as a REIT.

We are currently, and if we fail to qualify as a REIT for any taxable year after having qualified we will be, subject to federal income tax on our taxable income at corporate rates. In addition, we would generally be disqualified from treatment as a REIT for the four taxable years following the year of losing our REIT status. Losing our REIT status would reduce our net earnings available for investment or distribution to stockholders because of the additional tax liability. In addition, distributions to stockholders would no longer qualify for the dividends paid deduction, and we would no longer be required to make distributions. If this occurs, we might be required to borrow funds or liquidate some investments in order to pay the applicable tax.

We may have difficulty satisfying the requirement that we not be closely held.

One of the requirements for REIT qualification is that we not be closely held. For these purposes, we will be closely held if five or fewer individuals (including certain entities treated as individuals for this purpose) own (or are treated as owning under applicable attribution rules) more than 50% by value of our stock at any time during the second half of the taxable year. This requirement does not apply during our first REIT year. To the extent that we first elect to be taxed as a REIT for our taxable year ending December 31, 2020, the closely held test should become relevant in July of 2021 (or July of a later year, if the election is made for a taxable year after 2020). Our articles of incorporation generally restrict any person from owning or being treated as owning more than 9.8% of our stock, limiting the amount of our stock any five persons could own or be treated as owning 49% of our stock, in order to prevent us from failing the closely held requirement. As permitted in our articles of incorporation, however, our Board has waived these limits for Mr. Sobelman who currently owns 900,000 shares of our common stock, or about 42.8%. Our Board does not intend to reduce our ownership limit below 9.8% to a percentage that will ensure that four persons owning shares at such limit plus Mr. Sobelman will not own or be treated as owning more than 50% of our shares. Instead, the Board's waiver to Mr. Sobelman is conditioned upon his agreement that if we would otherwise fail the "closely held" test, we will automatically redeem such number of Mr. Sobelman's shares for consideration of $.01 per share as will permit us to satisfy the "closely held" test. If we fail to monitor our share ownership or to implement the redemption provision in the waiver to Mr. Sobelman, or the IRS does not respect the effective date of any redemptions, we may fail to qualify as a REIT.

Re-characterization of sale-leaseback transactions may cause us to lose our REIT status.

We may purchase properties and lease them back to the sellers of such properties. While we will use our best efforts to structure any such sale-leaseback transaction so that the lease will be characterized as a "true lease," thereby allowing us to be treated as the owner of the property for federal income tax purposes, the IRS could challenge such characterization. In the event that any sale-leaseback transaction is challenged and re-characterized as a financing transaction or loan for federal income tax purposes, deductions for depreciation and cost recovery relating to such property would be disallowed. If a sale-leaseback transaction were so recharacterized, we might fail to satisfy the REIT qualification "asset tests" or the "income tests" and, consequently, lose our REIT status effective with the year of recharacterization. Alternatively, the amount of our REIT taxable income could be recalculated which might also cause us to fail to meet the distribution requirement for a taxable year.

In certain circumstances, we may be subject to federal and state income taxes as a REIT, which would reduce our cash available for distribution to you.

Even if we qualify and maintain our status as a REIT, we may be subject to federal income taxes or state taxes. For example, net income from the sale of properties that are "dealer" properties sold by a REIT (a "prohibited transaction" under the Code) will be subject to a 100% tax. We may not be able to make sufficient distributions to avoid excise taxes applicable to REITs. We may also decide to retain capital gains we earn from the sale or other disposition of our property and pay income tax directly on such gain. In that event, our stockholders would be treated as if they earned that income and paid the tax on it directly. We may also be subject to state and local taxes on our income or property, either directly or at the level of the Operating Partnership or at the level of the other entities through which we indirectly own our assets. Any federal or state taxes we pay will reduce our cash available for distribution to you.

REIT distribution requirements could adversely affect our liquidity.

In order to maintain our REIT status and to meet the REIT distribution requirements, we may need to borrow funds on a short-term basis or sell assets, even if the then-prevailing market conditions are not favorable for these borrowings or sales. To qualify as a REIT, we generally must distribute to our stockholders at least 90% of our net taxable income each year, excluding capital gains. In addition, we will be subject to corporate income tax to the extent we distribute less than 100% of our net taxable

income including any net capital gain. We intend to make distributions to our stockholders to comply with the requirements of the Code for REITs and to minimize or eliminate our corporate income tax obligation to the extent consistent with our business objectives. Our cash flows from operations may be insufficient to fund required distributions as a result of differences in timing between the actual receipt of income and the recognition of income for federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of reserves or required debt service or amortization payments. The insufficiency of our cash flows to cover our distribution requirements could have an adverse impact on our ability to maintain our REIT status. We may have to incur short- or long-term debt or liquidate an investment in a property we were not planning to sell to pay these distributions. In addition, we will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions paid by us in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from prior years.

Further, amounts distributed will not be available to fund investment activities. We expect to fund our investments by raising equity capital and through borrowings from financial institutions and the debt capital markets. If we fail to obtain debt or equity capital in the future, it could limit our ability to grow, which could have a material adverse effect on the value of our common stock.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum tax rate applicable to "qualified dividend income" payable to U.S. stockholders that are taxed at individual rates is 20% (exclusive of the application of the 3.8% net investment tax). Dividends (other than capital gain dividends) payable by REITs, however, generally are not eligible for the reduced rates on qualified dividend income and therefore may be subject to a 37% maximum U.S. federal income tax rate on ordinary income when paid to such stockholders. The Tax Cuts and Jobs Act enacted in December 2017, however, reduces the top effective rate applicable to ordinary dividends from REITs to 29.6% (through a 20% deduction for ordinary REIT dividends received that are not "capital gain dividends" or "qualified dividend income," subject to complex limitations). This reduced rate applies for taxable years beginning on January 1, 2018 and through taxable years ending December 31, 2025. The more favorable rates applicable to regular corporate qualified dividends could cause investors who are taxed at individual rates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the shares of REITs, including our common stock if we qualify as a REIT.

We may be unable to generate sufficient revenue from operations, operating cash flow or portfolio income to pay our operating expenses, and our operating expenses could rise, diminishing our ability to pay distributions to our stockholders.

If we are established as a REIT, we are generally required to distribute at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and not including net capital gains, each year to our stockholders. To qualify for the tax benefits applicable to REITs, we have and intend to continue to make distributions to our stockholders in amounts such that we distribute all or substantially all our net taxable income each year, subject to certain adjustments. However, our ability to make distributions may be adversely affected by the risk factors described herein. Our ability to make and sustain cash distributions is based on many factors, including the return on our investments, the size of our investment portfolio, operating expense levels, and certain restrictions imposed by Maryland law. Some of the factors are beyond our control and a change in any such factor could affect our ability to pay future dividends. No assurance can be given as to our ability to pay distributions to our stockholders. In the event of a downturn in our operating results and financial performance or unanticipated declines in the value of our asset portfolio, we may be unable to declare or pay quarterly distributions or make distributions to our stockholders. The timing and amount of distributions are in the sole discretion of our Board, which considers, among other factors, our earnings, financial condition, debt service obligations and applicable debt covenants, REIT qualification requirements and other tax considerations and capital expenditure requirements as our Board may deem relevant from time to time.

Legislative or regulatory action could adversely affect investors.

Because our operations are governed to a significant extent by the federal tax laws, new legislative or regulatory action could adversely affect investors.

You are urged to consult with your own tax advisor with respect to the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in our common stock. You should also note that our counsel's tax opinion assumes that no legislation will be enacted after the date of this prospectus that will be applicable to an investment in our shares, and that future legislation may affect this tax opinion.

Foreign purchasers of our common stock may be subject to FIRPTA tax upon the sale of their shares.

Foreign persons (other than certain foreign pension funds) disposing of a U.S. real property interest, including shares of a U.S. corporation whose assets consist principally of U.S. real property interests, are generally subject to the Foreign Investment in Real Property Tax of 1980, as amended, known as FIRPTA, on the gain recognized on the disposition. Such FIRPTA tax does not apply, however, to the disposition of stock in a REIT if the REIT is "domestically controlled." A REIT is "domestically controlled" if less than 50% of the REIT's stock, by value, has been owned directly or indirectly by persons who are not qualifying U.S. persons during a continuous five-year period ending on the date of disposition or, if shorter, during the entire period of the REIT's existence. We cannot assure you that we will qualify as a "domestically controlled" REIT. If we were to fail to so qualify, gain realized by foreign investors on a sale of our shares would be subject to FIRPTA tax, unless our shares were regularly traded on an established securities market and the foreign investor did not at any time during a specified testing period directly or indirectly own more than 10% of the value of our outstanding common stock. See "Federal Income Tax Considerations — Special Tax Considerations for Non-U.S. Stockholders — Sale of our Shares by a Non-U.S. Stockholder."

USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $ million (or approximately $ million if the underwriter's over-allotment option is exercised in full), after deducting underwriting discounts and commissions, and estimated expenses of the offering, assuming a public offering price of $ per share.

We will contribute the net proceeds of this offering to our Operating Partnership as a capital contribution in exchange for additional common units in our Operating Partnership. Our Operating Partnership intends to use approximately $ of the net proceeds from this offering to operate our existing portfolio of commercial real estate properties; approximately $520,000 for general business purposes and working capital; and the remainder to acquire additional freestanding, single- and dual-tenant commercial properties. We cannot predict if or when we will identify and acquire properties that meet our acquisition criteria so as to permit us to invest the net proceeds of this offering. Except for fixed costs, the amounts actually spent by us for any specific purpose may vary and will depend on a number of factors. Non-fixed costs and general and administrative costs may vary depending on our business progress and development efforts, and general business conditions.

Once we qualify for taxation as a REIT, we intend to make regular cash distributions to our stockholders out of our cash available for distribution, typically on a quarterly basis. Generally, our policy will be to pay distributions from cash flow from operations. However, our distributions may be paid from sources other than cash flows from operations, and although not currently expected, distributions could be paid from the net proceeds of this offering. Our organizational documents do not restrict us from paying distributions from any source and do not restrict the amount of distributions we may pay from any source, including offering proceeds. Distributions paid from sources other than current or accumulated earnings and profits may constitute a return of capital.

Prior to the full investment of the net proceeds in net lease properties, we intend to invest the net proceeds in interest-bearing short-term investment grade securities or money-market accounts which are consistent with our intention to qualify as a REIT. Such investments may include, for example, government and government agency certificates, certificates of deposit, interest-bearing bank deposits and mortgage loan participations. These short-term investments are expected to provide a lower net return than we will seek to achieve from further investments in net lease properties.

DETERMINATION OF OFFERING PRICE

Prior to this offering, there has been only a limited public market for our common stock. The public offering price was determined through negotiations between us and the underwriter, and does not necessarily bear any relationship to the value of our assets, our net worth, revenues or other established criteria of value, and should not be considered indicative of the actual value of the securities. In addition to prevailing market conditions, the factors considered in determining the public offering price of our common stock included the following:

- the information included in this prospectus;
- the valuation multiples of publicly traded companies that we or the underwriter believes to be comparable to us;
- our financial information;
- our prospects and the history and prospects of the real estate industry;
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our projected revenues;
- the present state of our development; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

DILUTION

As of September 30, 2019, our historical net tangible book value was $10,658,891, or $2.85 per share of our common stock. Our historical net tangible book value is the amount of our total tangible assets less our liabilities. Historical net tangible book value per share is our historical net tangible book value divided by the number of shares of common stock outstanding as of September 30, 2019 and 1,639,650 shares assumed converted from the $8,198,251 of Redeemable Non-Controlling Interests as of December 18, 2019.

Our as adjusted net tangible book value as of September 30, 2019, which is our net tangible book value at that date, after giving effect to the sale of shares of common stock in this offering by us at an assumed public offering price of $ per share, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, would have been $, or $ per share. This amount represents an immediate increase in net tangible book value of $ per share to our existing stockholders and an immediate dilution of $ per share to investors participating in this offering. Dilution per share to investors participating in this offering is determined by subtracting as adjusted net tangible book value per share after this offering from the assumed public offering price per share paid by investors in this offering.

The following table illustrates this dilution on a per share basis:

Assumed public offering price per share	$
Historical net tangible book value per share as of September 30, 2019	$2.85
Increase in net tangible book value per share attributable to new investors purchasing shares in this offering	$
As adjusted net tangible book value per share after giving effect to this offering	$
Dilution per share to investors participating in this offering	$

The information discussed above is illustrative only, and will be adjusted based on the actual public offering price and other terms of this offering determined at pricing. Each $ increase or decrease in the assumed public offering price of $ per share, would further increase or decrease the as adjusted net tangible book value per share after this offering by $ per share and the dilution per share to investors participating in this offering by $ per share, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

We may also increase or decrease the number of shares we are offering. An increase of in the number of shares offered by us would increase or decrease our as adjusted net tangible book value per share by approximately $, and the dilution per share to investors participating in this offering by $, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The information discussed above is illustrative only and will be adjusted based on the actual offering price, the actual number of shares we offer in this offering, and other terms of this offering determined at pricing.

If the underwriter exercises its option to purchase additional shares in full, the as adjusted net tangible book value will increase to $ per share, representing an immediate increase in as adjusted net tangible book value to existing stockholders of $ per share and immediate dilution of $ per share to investors participating in this offering.

The above discussion and table is based on 2,100,960 outstanding shares of common stock as of September 30, 2019 and excludes as of such date:

- outstanding warrants to purchase up to 200,000 shares of our common stock at an exercise price of $5.00 per share; and
- 20,000 unvested shares of restricted stock.

In addition, except as otherwise indicated, the information above reflects and assumes no exercise by the underwriter of its option to purchase additional shares of our common stock.

To the extent that any outstanding warrants are exercised or we issue additional shares of common stock or other equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering.

OUR DISTRIBUTION POLICY

On May 20, 2019 and October 18, 2019, our Board authorized a $0.105 per share cash dividend for shareholders of record of the Company's common stock as of May 1, 2019 and October 1, 2019, respectively. The Company paid these dividends on June 15, 2019 and November 15, 2019, respectively. David Sobelman, our president and founder and owner of approximately 42.8% of the Company's outstanding common stock, waived his dividends for these periods and is expected to continue to waive his dividends until our dividends are fully covered by our cash flow, including dividends on Mr. Sobelman's shares. However, Mr. Sobelman will be entitled to receive future dividends and his past waivers for these dividends does not act as a waiver for future dividends. From inception through the date of this prospectus, we have distributed approximately $405,170 to common stockholders.

We intend to make a pro rata distribution with respect to the period commencing upon the completion of this offering and ending on December 31, 2020, based on a distribution rate of $ per share of common stock for a full quarter. On an annualized basis, this would be $ per share of common stock, or an annualized distribution rate of approximately % based on the mid-point of the price range set forth on the front cover of this prospectus. We estimate that this annual distribution rate will represent approximately % of our estimated cash available for distribution to stockholders for the twelve months ending December 31, 2020. We do not intend to reduce the annualized distribution per share of common stock if the underwriter exercises its option to purchase additional shares. Our intended annual distribution rate has been established based on our estimate of cash available for distribution for the twelve months ending December 31, 2020, which we have calculated based on adjustments to our pro forma net income for the twelve months ended September 30, 2019. This estimate was based on our pro forma operating results and does not take into account our long-term business and growth strategies, nor does it take into account any unanticipated expenditures we may have to make or any financings for such expenditures. In estimating our cash available for distribution for the twelve months ending December 31, 2020, we have made certain assumptions as reflected in the table and footnotes below.

Our estimate of cash available for distribution does not include the effect of any changes in our working capital resulting from changes in our working capital accounts. It also does not reflect the amount of cash estimated to be used for investing activities, financing activities or other activities. Any such investing and/or financing activities may have a material and adverse effect on our estimate of cash available for distribution. Because we have made the assumptions described herein in estimating cash available for distribution, we do not intend this estimate to be a projection or forecast of our actual results of operations, funds from operations (FFO), liquidity or financial condition, and we have estimated cash available for distribution for the sole purpose of determining our estimated initial annual distribution amount following this offering. Our estimate of cash available for distribution should not be considered as an alternative to cash flow from operating activities (computed in accordance with GAAP) or as an indicator of our liquidity or our ability to make distributions. In addition, the methodology upon which we made the adjustments described herein is not necessarily intended to be a basis for determining future distributions.

We intend to maintain our initial distribution rate for the 12 months following the completion of this offering unless our financial condition, results of operations, FFO, liquidity and cash flows, general business prospects, economic conditions or other factors differ materially from the assumptions used in projecting our distribution rate. We believe that our estimate of cash available for distribution constitutes a reasonable basis for setting the distribution rate. However, we cannot assure you that our estimate will prove accurate, and actual distributions may therefore be significantly below the expected distributions. Our actual results of operations will be affected by a number of factors, including the revenue received from the tenants leasing our properties, our operating expenses, interest expense and unanticipated capital expenditures, if any.

We cannot assure you that our estimated distributions will be made or sustained or that our board of directors will not change our distribution policy in the future. Any distributions will be at the sole discretion of our board of directors, and their form, timing and amount, if any, will depend upon a number of factors, including our actual and projected results of operations, FFO, liquidity, cash flows and financial condition, the revenue we actually receive from our properties, our operating expenses, our debt service requirements, our capital expenditures, prohibitions and other limitations under our financing arrangements, our REIT taxable income, the annual REIT distribution requirements, applicable law, including restrictions on distributions under Maryland law, and such other factors as our board of directors deems relevant. In addition, our charter allows us to issue preferred stock that could have a preference on any distributions we make and could limit our ability to make distributions to our stockholders. Additionally, under certain circumstances, agreements relating to our indebtedness could limit our ability to make distributions to our stockholders. For more information regarding risk factors that could materially and adversely affect us and our ability to make cash distributions, see "Risk Factors."

If our operations do not generate sufficient cash flow to enable us to pay our intended or required distributions, we may be required either to fund distributions from working capital, to borrow or raise equity or to reduce the amount of such distributions. Because we have not yet generated a profit, distributions to date have been made from offering proceeds. In the future, we expect to fund distributions principally from our funds that we generate from operations. However, until we generate sufficient cash flows, we expect our distributions will be from a combination of operating cash flows and offering proceeds.

The U.S. federal income tax laws require that a REIT distribute annually at least 90% of its REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains, and that it pay tax at U.S. federal corporate income tax rates to the extent that it annually distributes less than 100% of its REIT taxable income, determined without regard to the dividends paid deduction and including any net capital gains. In addition, a REIT will be required to pay a 4% nondeductible excise tax on the amount, if any, by which the distributions it makes in a calendar year are less than the sum of 85% of its ordinary income, 95% of its capital gain net income, and 100% of its undistributed income

from prior years. For more information, see "Material U.S. Federal Income Tax Considerations." We anticipate that our estimated cash available for distribution will be sufficient to enable us to meet the annual distribution requirements applicable to REITs and to avoid or minimize the imposition of corporate and excise taxes. However, under some circumstances, we may be required to make distributions in excess of cash available for distribution in order to meet these distribution requirements or to avoid or minimize the imposition of tax, and we may need to borrow funds or use offering proceeds to make certain distributions.

The following table sets forth calculations relating to the estimated distribution based on our pro forma net income for the twelve months ended December 31, 2020, as adjusted, and is provided solely for the purpose of illustrating the estimated distribution and is not intended to be a basis for determining future distributions.

Pro Forma Net Income for the twelve-months ended December 31, 2019	**$**	
Add: estimated net increases in contractual rental revenue	$	
Add: real estate depreciation and amortization	$	
Add: acquired lease intangible asset amortization	$	
Add: other depreciation and amortization	$	
Add: non-cash compensation expense	$	
Add: non-cash interest expense	$	
Less: net effect of non-cash rental revenue (amortization of lease intangible assets)	$	
Estimated Cash Available for Distribution for the twelve-months ended December 31, 2019	**$**	
Estimated Cash Available for Distribution for the twelve-months ended December 31, 2020	**$**	
Our stockholders' share of estimated cash available for distribution (1)	$	
Non-controlling interests' share of estimated cash available for distribution (2)	$	
Estimated initial annual distribution per share of common stock	$	
Total estimated initial annual distribution to stockholders (3)	$	
Total estimated initial annual distribution to non-controlling interests (4)	$	
Total estimated initial annual distribution to stockholders and non-controlling interests	$	
Payout ratio (5)		%

(1) Based on our estimated ownership of approximately % of our Operating Partnership, based on ownership estimated as of December 31, 2020 upon completion of this offering.

(2) Represents the share of our estimated cash available for distribution for the twelve months ending December 31, 2020 that is attributable to the holders of OP units other than us and Redeemable Non-Controlling Interest estimated as of December 31, 2020.

(3) Based on a total of shares of our common stock expected to be outstanding upon completion of this offering excluding 900,000 shares owned by our founder.

(4) Based on a total of OP units expected to be outstanding upon completion of this offering.

(5) Calculated as total estimated annual distribution to stockholders divided by our stockholders' share of estimated cash available for distribution for the twelve months ending December 31, 2020. If the underwriter exercises its option to purchase additional shares in full (approximately shares), our total estimated initial annual distribution to stockholders would be approximately $ million and our payout ratio would be %.

OUR BUSINESS

Our Company

We are an internally managed Maryland corporation focused on acquiring and investing in net lease commercial retail, office and industrial properties located primarily in major cities in the United States. We were incorporated by our Chairman and President, David Sobelman, who has over 15 years of experience in the net lease real estate business.

We were incorporated in Maryland on June 19, 2015. Our business and registered office is located at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602. Our office space has been provided free of charge by David Sobelman, our President and Chairman of the Board. Our telephone number is (813) 448-1234 and our website is www.gipreit.com. The information contained in our website is not incorporated by reference in this prospectus.

Our purpose is to acquire and invest in net lease properties located primarily in major United States cities, with an emphasis on the major coastal markets. We seek geographic diversity in our investments, although we view attractive opportunities as more important than geographic mix in our investment objectives. Although we are not currently a REIT, we intend to elect and qualify to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020, and to conduct our operations so as to maintain that tax qualification.

We are a self-advised and self-administered Maryland corporation that invests primarily in freestanding, single-tenant commercial retail, office and industrial properties net leased to investment grade tenants. We operate as a self-advised REIT because our President provides advisory and administrative services to us, and our business and investment decisions are made by our management who manage our day-to-day affairs. We currently have one other employee beside Mr. Sobelman. To the extent necessary, we use consultants, attorneys, and accountants. See the section “Executive Compensation” for information in connection to compensation for our management and directors.

Although we are not currently a REIT, we intend to structure our business operations so that we may qualify as a REIT. In general, a REIT is a company that:

- combines the capital of many investors to acquire or provide financing for real estate properties;
- allows individual investors to invest in a large-scale diversified real estate portfolio through the purchase of interests, typically shares, in the REIT;
- is required to pay dividends to investors of at least 90% of its annual REIT taxable income (computed without regard to the dividends-paid deduction and excluding net capital gain); and
- is able to qualify as a REIT for federal income tax purposes and therefore avoids the “double taxation” treatment of income that would normally result from investments in a corporation because a REIT does not generally pay federal corporate income taxes on the portion of its net income distributed to its stockholders, provided certain income tax requirements are satisfied.

We intend to elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020.

We operate by acquiring properties that we can in turn lease to tenants. A single net lease is a commercial real estate lease agreement in which the tenant agrees to pay property taxes in addition to rent. A single net lease is a form of pass through lease in which taxes associated with the property become the responsibility of the tenant instead of the landlord. On the other hand, a triple net lease is a commercial lease agreement in which the tenant agrees to pay a base rental amount and (1) the net amount of the landlord’s real estate taxes, (2) the net amount of the building insurance, and (3) the net amount of the common area maintenance expenses.

On the properties that we acquire, we generally expect that our leases will be triple or modified triple net leases to the extent possible. Of our six properties, four of our current leases are triple-net or modified triple-net leases. We consider one property a modified triple-net lease because the tenant pays all base rent and real estate taxes and provides its own defined insurance pursuant to its lease, which requires that we pay for certain incremental insurance required by our lenders. Our two office space leases include only base rent, but one provides for a reimbursement of specified operating costs.

There may, however, be some cases where we will be responsible for the replacement of specific structural components of a property, such as the roof or structure of the building.

Generally, we anticipate that with regard to the properties that we will acquire, leases will already be in place prior to a purchase, and that initial lease terms will have 5 to 10 years or more of primary lease term remaining as well as, in some cases, renewal options for further years. We may, however, enter into leases that have a shorter term. There are some cases where terms of the lease will need to be determined prior to a purchase as there may not be a lease already in place with the occupant prior to a purchase.

We determine tenant creditworthiness pursuant to various methods, including reviewing financial data and other information about the tenant. In addition, we may use an industry credit rating service to determine the creditworthiness of potential tenants and any personal guarantor or corporate guarantor of each potential tenant. We will compare the reports produced by these services to the relevant financial and other data collected from these parties before consummating a lease transaction. Such relevant data from potential tenants and guarantors include income and cash flow statements and balance sheets for current and prior periods, net worth or cash flow of guarantors, and business plans and other data our management deems relevant.

We and our Operating Partnership were organized to operate using an UPREIT structure. We use an UPREIT structure because a sale of property directly to another person or entity generally is a taxable transaction to the selling property owner. In an UPREIT structure, a seller of a property that desires to defer taxable gain on the sale of its property may transfer the property to the Operating Partnership in exchange for common units in the Operating Partnership and defer taxation of gain until the seller later disposes of its common units in the Operating Partnership. Using an UPREIT structure may give us an advantage in acquiring desired properties from persons who may not otherwise sell their properties because of unfavorable tax results.

Following the two acquisitions described below, as of December 18, 2019, we own 59.306% of the outstanding common units in the Operating Partnership and outside investors own 40.694%. After we contribute the net proceeds of this offering to our Operating Partnership in exchange for common units of the Operating Partnership, our percentage ownership of outstanding common units in the Operating Partnership will increase to approximately %, assuming the sale of shares of common stock in this offering by us at an assumed public offering price of $ per share.

Description of Real Estate/Description of our Investments

Acquired Properties

The following are characteristics of our properties as of September 30, 2019:

- *Creditworthy Tenants.* Approximately 78% of our portfolio's annualized base rent as of September 30, 2019 was derived from tenants that have (or whose parent company has) an investment grade credit rating from a recognized credit rating agency of "BBB" or better. Our largest tenants are the General Service Administration, PRA Group and Pratt & Whitney, all who have an 'BBB' credit rating or better from S&P Global Ratings and contributed approximately 70.0% of our portfolio's annualized base rent as of September 30, 2019.
- *100% Occupied with Long Duration Leases.* Our portfolio is 100% leased and occupied. The leases in our initial portfolio have a weighted average remaining lease term of approximately 8.1 years (based on annualized base rent as of September 30, 2019).
- *Contractual Rent Growth*. Approximately 41% of the leases in our initial portfolio (based on annualized base rent as of September 30, 2019) provide for increases in contractual base rent during the current term. In addition, approximately 63% (based on annualized base rent as of September 30, 2019) of the leases in our initial portfolio allow for increases in base rent during the lease extension periods.
- *Major Repairs.* The Company is in the process of refurbishing the roof and HVAC units of the Walmer Property for approximately $508,000 of which the Company received $345,000 from the seller of the property and another $75,000 was placed in escrow for certain cost overages.
- *Average Effective Annual Rental per Square Foot.* Average effective annual rental per square foot is $17.43. We generally depreciate all properties on a straight line basis over a 40 – 50 year period.

Given the nature of our leases, our tenants either pay the realty taxes directly or reimburse us for such costs. We believe all of our properties are adequately covered by insurance.

The table below presents an overview of the properties in our initial portfolio as of September 30, 2019, unless otherwise indicated:

Property Type	Property Location	Rentable Square Feet	Tenant(s)	S&P Credit Rating (1)	Lease Expiration Date	Remaining Term (Years)	Tenant Extension Options (Number x Years)	Contractual Rent Escalations	Annualized Base Rent (2)	Percentage of Gross Annual Rental to Total	Annualized Base Rent per Sq. Ft.
Retail	Washington DC	3,000	7-Eleven Corporation	AA-	3/31/2026	6.6	2 x 5	Yes	$ 118,000	3.6%	$39.33
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	8.5	4 x 5	Yes	$ 182,500	5.6%	$82.95
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	9.5	2 x 5	Yes	$ 684,996	21.0%	$11.59
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	12/31/2029	10.3	3 x 5	No	$ 313,480	9.6%	$20.73
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and Maersk Line, Limited	AA+	09/17/2028	9.1	—	No	$882,476	27.1%	$17.68
	Norfolk, VA	22,247		BBB	12/01/2021	2.2	2 x 5	Yes	$363,763	11.2%	$16.35
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB-	08/31/2027	8.0	1 x 5	Yes	$714,108	21.9%	$20.49

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash base rental income in place as of September 30, 2019. Our leases do not include tenant concessions or abatements.
(3) Tenant has the right to terminate on the following dates: July 31, 2028, July 31, 2033, July 31, 2038, July 31, 2043, July 31, 2048 and July 31, 2053.
(4) Tenant has the right to terminate the lease on August 31, 2024 subject to certain conditions.

As of the date of this prospectus, we own six assets described in more detail below:

- On June 29, 2017, we acquired through our wholly-owned Delaware subsidiary, GIPDC 3707 14h ST, LLC, a 3,000 square foot single tenant retail condo located at 3707-3711 14th Street, NW in Washington, D.C. (the "D.C. Property") for approximately $2.6 million in total consideration, with 7-Eleven Corporation as a continuing tenant. The lease for the D.C. Property is a triple-net lease with an initial term of ten years, ending March 31, 2026, with two options to extend the term of the lease for two additional five-year periods. The base rent is $9,833.33 per month for the first five years of the lease, increasing to $10,817.00 per month for years six through ten of the lease term. We have granted a first priority mortgage on the D.C. property and each of the Tampa, Florida and Huntsville, Alabama properties described below, to secure a $11.3 million loan from DBR Investments Co. Limited to GIPDC 3707 14TH ST, LLLC and two of our other wholly-owned subsidiaries, GIPFL 1300 S DALE MABRY, LLC and GIPAL JV 15091 SW ALABAMA 20, LLC (the "DC/Tampa/Alabama Loan"). The DC/Tampa/Alabama Loan matures in February 2030 and the loan agreement for this loan contains standard affirmative and negative covenants, including prohibitions on additional liens on the collateral, financial reporting obligations and maintenance of insurance, as well as a covenant that the properties, securing the loan, maintain a debt service coverage ratio of not less than 1.25:1.00, measured quarterly. Mr. Sobelman has personally guaranteed certain recourse obligations and liabilities with respect to the DC/Tampa/Alabama Loan.
- On April 4, 2018, we acquired through our wholly-owned Delaware subsidiary, GIPFL 1300 S. DALE MABRY, LLC, a 2,200 square foot single tenant retail stand-alone property located at 1300 South Dale Mabry Highway in Tampa, Florida (the "Tampa Property") for approximately $3.6 million in total consideration, with a corporate Starbucks Coffee as a continuing tenant. The lease for the Tampa Property is a triple-net lease with an initial term of ten years, ending February 29, 2028, with two options to extend the term of the lease for four additional five-year periods. The base rent for years one through five of the lease term is $15,208.33 per month, increasing to $16,729.17 per month for years six through ten of the lease term. The lease includes a right of first offer in favor of Starbucks in the event we decide to sell the Tampa Property to a third party purchaser. As described above, we have granted a first lien mortgage on the Tampa Property to secure the DC/Tampa/Alabama Loan and Mr. Sobleman has personally guaranteed certain recourse obligations and liabilities with respect to the loan. Starbucks Corporation files annual reports on Form 10-K and quarterly reports on Form 10-Q with the SEC.

- On December 20, 2018, we acquired a 59,000 square foot single tenant industrial building located at 15091 Alabama Highway 20, in Huntsville, AL (the "Alabama Property") for approximately $8.4 million in total consideration, with Pratt & Whitney Automation, Inc. as a continuing tenant. The fee owner of the Alabama Property is our subsidiary GIPAL JV 15091 SW ALABAMA 20, LLC (the "Alabama Subsidiary"). The acquisition was funded in part by a capital contribution of approximately $2.2 million to the Alabama Subsidiary by the holder of all of the outstanding Class A Preferred membership units in the Alabama Subsidiary (the "Alabama Preferred Member"). We redeemed 100% of the Alabama Preferred Member's membership interests in the Alabama Subsidiary on December 18, 2019 for approximately $2.4 million in cash, using existing cash and the proceeds from a $1.9 million secured non-convertible promissory note issued by the Operating Partnership to the Clearlake Preferred Member which is secured by all of the personal and fixture property assets of the Operating Partnership. This note accrues interest at a 10% per annum rate, which is payable monthly to the Clearlake Preferred Member. The principal amount of the note will become due and payable on December 16, 2021. On February 12, 2020 we prepaid a portion of the outstanding principal of the $1.9 million note issued to the Clearlake Preferred Member. The remaining portion of the acquisition of the Alabama Property was funded with a $6.1 million mortgage loan, that was refinanced in February 2020 using the proceeds of the DC/Tampa/Alabama Loan. As described above, we have granted a first lien mortgage on the Alabama Property to secure the DC/Tampa/Alabama Loan and Mr. Sobleman has personally guaranteed certain recourse obligations and other liabilities with respect to the loan. The lease for the Alabama Property is a triple-net lease with an initial term of ten years, ending January 31, 2029, provided Pratt & Whitney has the option to terminate the lease effective January 31, 2024 upon not less than six months' prior written notice. If Pratt & Whitney elects to terminate the lease on January 31, 2024, it is required to pay us a termination payment of $493,612.70, to reimburse us for the unamortized portions of the tenant improvements and real estate leasing fees previously paid by us, and a termination fee. The monthly rent under the lease is $57,083 per month. United Technologies Corporation, the parent company of Pratt and Whitney Corporation, files annual reports on Form 10-K and quarterly reports on Form 10-Q with the SEC.
- On September 12, 2019, we acquired an approximately 15,000-square-foot, single tenant building located at 1106 Clearlake Road, Cocoa, Florida (the "Cocoa Property") for total consideration of approximately $4.5 million, with Walgreen Co. as a continuing tenant ("Walgreens"). The acquisition was funded in part with debt financing of approximately $3.4 million and in part with a capital contribution of $1.2 million to our Delaware operating subsidiary, GIPFL JV 1106 Clearlake Road, LLC (the "Clearlake Subsidiary"), by the holder of all of the outstanding Class A Preferred membership units in the Clearlake Subsidiary (the "Clearlake Preferred Member"). The Clearlake Preferred Member will be paid a 10% annual preferred return on its capital contribution. The Clearlake Preferred Member's interest in the Clearlake Subsidiary is a "Redeemable Non-Controlling Interest" because it is a non-controlling interest and is redeemable for cash or common units in the Operating Partnership at the election of the Clearlake Preferred Member after 24 months. The $3.4 million loan incurred in connection with the acquisition of the Cocoa Property is secured by a first priority mortgage on the Cocoa Property in favor of American Momentum Bank (the "Cocoa American Momentum Loan"). The loan agreement for Cocoa American Momentum Loan contains standard affirmative and negative covenants, including prohibitions on additional liens on the collateral, financial reporting obligations and maintenance of insurance, as well as a covenant that we maintain a minimum DSCR of not less than 1.1 to 1.0, measured annually. The loan agreement for the Cocoa American Momentum Loan also provides for a mandatory repayment in full twelve months from the date Walgreens formally notifies us that it will cease operations at the Cocoa Property. The Cocoa American Momentum Loan matures September 11, 2021, and Mr. Sobelman has personally guaranteed the repayment of up to fifty percent of the outstanding principal due under the Cocoa American Momentum Loan. The Walgreens lease term expires on July 31, 2068, provided Walgreens has the option to terminate the lease effective July 31, 2028, July 31, 2033, July 31, 2038, July 31, 2043, July 31, 2048, July 31, 2053, July 31, 2058 and July 31, 2063 upon at least six months prior written notice. The rent is fixed during the lease term and is equal to $26,123.35 per month. The lease includes a right of first refusal in favor of Walgreens in the event we receive a bona fide offer to purchase the Cocoa Property during the term of the lease. Walgreens Boots Alliance, Inc. files annual reports on Form 10-K and quarterly reports on Form 10-Q with the SEC.
- On September 30, 2019 we acquired through our wholly-owned Delaware subsidiary, GIPVA 2510 Walmer Ave, LLC, an approximately 72,000 square foot two-tenant office building located at 2510 Walmer Avenue, Norfolk, Virginia (the "Walmer Property") for total consideration of approximately $11.5 million, with each of the General Services Administration of the United States of America and Maersk Line, Limited ("Maersk") as continuing tenants. The acquisition of the Walmer Property was funded by issuing 993,000 common units in the Operating Partnership, priced at $5.00 per unit, for a total value of $4,965,000, plus an additional $822,000 in cash, and the assumption of approximately $6.0 million of existing mortgage debt. The debt assumed in connection with the acquisition has been refinanced by a new loan from Bayport Credit Union in the amount of approximately $8.3 million (the "Walmer Avenue Bayport Loan"), and the refinancing resulted in approximately $1,206,000 of cash. The Walmer Avenue Bayport Loan matures on September 30, 2024 and Mr. Sobelman has provided a guaranty of the Borrower's nonrecourse carve out liabilities and obligations in favor of Bayport Credit Union. The loan agreement for the Walmer Avenue Bayport Loan contains standard affirmative and negative covenants, including prohibitions on additional liens on the collateral, financial reporting obligations and maintenance of insurance, as well as a covenant that we maintain a minimum DSCR with respect to the Walmer Avenue Property of not less than 1.25 to 1.0, measured annually on a trailing twelve month basis. In addition, the loan agreement requires that we also maintain a minimum DSCR of not less than 1.25 to 1.0 with respect to our Corporate Boulevard Property described below, and a minimum DSCR across our entire portfolio of properties of not less than 1.0 to 1.0, in each case measured annually on a trailing twelve month basis. The lease with the United States of America at the Walmer Property (the "GSA Lease") has a term ending September 17, 2028 following the exercise of an option to extend the term of the lease for one five-year period. The annual rent payable under the GSA Lease is $882,476.30, payable monthly in arrears at the rate of $73,539.69 per month, subject to annual adjustment for increases and decreases in real estate taxes and operating costs associated with the Walmer Property. The lease with Maersk at the Walmer Property (the "Maersk Lease") has an initial term of five years, commencing December 19, 2016 and ending December 1, 2021, with two options to extend the term of the lease for two additional five-year periods upon not less than six months written notice. The current base rent of the Maersk Lease is $29,052.30 per month, with the base rent increasing 3% on each anniversary of the commencement date during the term. The Maersk Lease includes a right of first refusal in favor of Maersk to lease space in the Walmer Property that is contiguous to the Maersk leased space as such space becomes available to third parties. The Maersk Lease also contains an expansion option in favor of Maersk to expand their leased premises into any available contiguous space at the Walmer Property.

- On September 30, 2019 we acquired through our wholly-owned Delaware subsidiary, GIPVA 130 Corporate Blvd, LLC, an approximately 35,000 square foot single tenant office building located at 130 Corporate Boulevard, Norfolk, Virginia (the "Corporate Boulevard Property"), for total consideration of approximately $7.1 million, with PRA Holdings, Inc. as a continuing tenant. The acquisition was funded with the issuance of 406,650 common units in the Operating Partnership, priced at $5.00 per unit, for a total value of $2,033,250 plus an additional $100,000 in cash, and the assumption of approximately $5.2 million of mortgage debt with Bayport Credit Union (the "Corporate Boulevard Bayport Loan"). The Corporate Boulevard Bayport Loan matures on October 23, 2024 and Mr. Sobelman has provided a guaranty of the Borrower's nonrecourse carve out liabilities and obligations in favor of Bayport Credit Union. The loan agreement for the Corporate Boulevard Bayport Loan contains standard affirmative and negative covenants, including prohibitions on additional liens on the collateral, financial reporting obligations and maintenance of insurance, as well as a covenant that we maintain a minimum DSCR with respect to the Corporate Boulevard Property of not less than 1.25 to 1.0, measured annually on a trailing twelve month basis. In addition, the loan agreement requires that we also maintain a minimum DSCR of not less than 1.25 to 1.0 with respect to our Walmer Avenue Property, and a minimum DSCR across our entire portfolio of properties of not less than 1.0 to 1.0, in each case measured annually on a trailing twelve month basis. The lease with PRA Holdings expires on August 31, 2027, with one option to extend the term of the lease for one additional five year period. PRA Holdings has a one-time option to terminate the lease effective August 31, 2024 upon not less than 12 months prior notice and payment of a $236,372.77 termination fee. The current monthly rent is $59,212.99, increasing 3% per annum each September if the Consumer Price Index is greater than 3% in any year, or increasing annually at 1.5% per annum if the Consumer Price Index is less than 3% in any year. The lease includes a right of first refusal in favor of PRA Holdings to lease contiguous vacant available space in the Corporate Boulevard Property.

Acquisition Pipeline

On August 24, 2018, we entered into a Purchase and Sale Agreement with Maritime Woods Development, LLC for the purchase of an approximately 5,800-square-foot free-standing condominium unit located at 7100 Maritime Woods Drive, Manteo, North Carolina, solely occupied by the United States of America, for a total consideration of approximately $1.7 million. The single-

tenant property is in a coastal area of North Carolina. During our due diligence with respect to the North Carolina Property, we discovered certain deficiencies with respect to the condominium documents relating to the North Carolina Property and the parties entered into an amendment to the Purchase and Sale Agreement on November 21, 2018 extending our inspection period with respect to the North Carolina Property to within forty-five days of our acceptance and satisfaction of the corrective actions taken by the seller with respect to the deficiencies. We anticipate completing the acquisition of the condominium unit in March 2020.

Property and Asset Management Agreements

We have engaged 3 Properties, a business managed by our President, to provide asset management services for all six of our properties pursuant to the following agreements:

- On February 4, 2019 we entered into a Property Management Agreement with 3 Properties for the management of the D.C. Property, the Tampa Property and the Alabama Property (the"D.C./Tampa/Alabama Management Agreement"). The D.C./Tampa/Alabama Management Agreement is for an initial one year term commencing on January 1, 2019, with automatic one year renewals thereafter unless terminated upon sixty days prior notice by either party. Both parties also have the option to terminate the D.C./Tampa/Alabama Management Agreement with or without cause upon ninety days prior written notice. The property manager is paid an asset management fee equal to 1.75% of the gross monthly rents received from the three properties, payable monthly in arrears, plus an additional $125 per hour fee for managing projects for the improvement, repair, legal compliance and alteration of the properties outside the agent's scope of work or where the cost of the project is greater than $5,000.
- On October 22, 2019 we entered into a Property Management Agreement with 3 Properties for the management of the Walmer Avenue Property and Corporate Boulevard Property (the"Walmer/Corporate Management Agreement"). The Walmer/Corporate Management Agreement is for an initial one year term commencing on October 1, 2019, with automatic one year renewals thereafter unless terminated upon sixty days prior notice by either party. Both parties also have the option to terminate the Walmer/Corporate Management Agreement with or without cause upon ninety days prior written notice. The property manager is paid an asset management fee equal to 1.50% of the gross monthly rents received from the properties, payable monthly in arrears, plus an additional $125 per hour fee for managing projects for the improvement, repair, legal compliance and alteration of the properties outside the agent's scope of work or where the cost of the project is greater than $5,000.
- On October 22, 2019 we entered into a Property Management Agreement with 3 Properties for the management of the Cocoa Property (the "Cocoa Management Agreement"). The Cocoa Management Agreement is for an initial one year term commencing on October 1, 2019, with automatic one year renewals thereafter unless terminated upon sixty days prior notice by either party. Both parties also have the option to terminate the Cocoa Management Agreement with or without cause upon ninety days prior written notice. The property manager is paid an asset management fee equal to 1.75% of the gross monthly rents received from the property, payable monthly in arrears, plus an additional $125 per hour fee for managing projects for the improvement, repair, legal compliance and alteration of the properties outside the agent's scope of work or where the cost of the project is greater than $5,000.

We have engaged Colliers International Asset Services to provide property management services to our two properties in Norfolk, Virginia. The agreements provide for us to pay Colliers International Asset Services a management fee equal to 2.5% of the gross collected rent of each of the two properties (inclusive of tenant expense reimbursements) as well as a construction supervision fee for any approved construction. The agreements are for a term of one year and automatically renew on a month-to-month basis thereafter.

Future Rental Payment

The following table presents future minimum base rental cash payments due to the Company over the next five calendar years and thereafter as of September 30, 2019:

	As of September 30, 2019
FY 2019 (3 months)	$ 811,000
FY 2020	3,259,000
FY 2021	3,258,000
FY 2022	2,928,000
FY 2023	2,943,000
FY 2024	2,938,000
Thereafter	10,504,000
	$26,641,000

(1) Rental income estimates adjusted to contemplate rent increases. A lease that has a term of 50 years is assumed to terminate after 10 years.

Method of Operation

Our primary investment objectives are:

- to provide current income for you through the payment of cash distributions;
- to preserve and return investor capital contributions; and
- to realize capital appreciation on our properties.

We currently own six properties and intend to continue acquiring properties we deem suitable with the net proceeds of this offering. We intend to continue to focus our investments primarily on the acquisition of freestanding, single-tenant commercial properties net leased to investment grade and other creditworthy tenants. Unlike funds that invest solely in multi-tenant properties, we plan to acquire a diversified portfolio comprised primarily of single-tenant properties.

We believe that single-tenant commercial properties, as compared with shopping centers, multi-tenant office buildings, malls, and other traditional multi-tenant properties, offer a distinct investment advantage since single-tenant properties generally require less management and operating capital and have less recurring tenant turnover than do multi-tenant properties. In addition, since we intend to acquire properties that are not concentrated in a single geographic market, we expect to be able to minimize the potential adverse impact of economic downturns in local markets. We will also seek to acquire properties with long-term leases with investment grade or other creditworthy tenants. We will acquire or invest in properties located only in the United States.

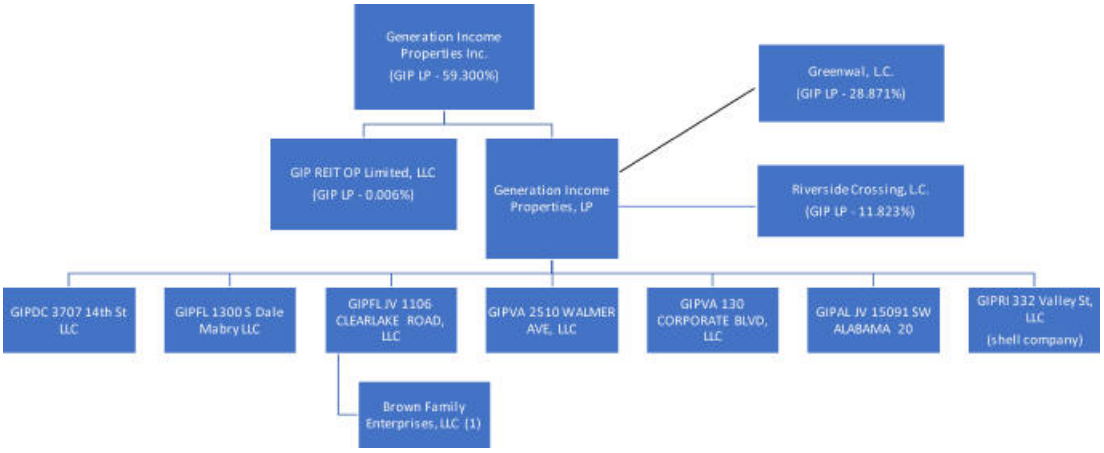
Our President will conduct the research on our future property and manage all aspects of acquisition. Upon identifying a target property, our President will work with the sellers or agents to provide documentation and property disclosures. In the event the property is of further interest, our President intends to hire an independent building inspector to report on the building's condition estimate renovation costs. If the property is of further interest, our President intends to travel to the property prior to the Company making an offer to purchase. To the extent that we acquire properties brokered by 3 Properties, our President will face a conflict of interest, as he is our President and Chairman of the Board and also owns and serves as the managing member of 3 Properties. See "Certain Relationships and Related Party Transactions."

We have and may continue to acquire properties through joint ventures in order to diversify our portfolio of properties in terms of geographic region, property type, and tenant industry group. In our estimation, increased portfolio diversification could reduce the risk to our ability to generate profits as compared to a program with less diversified investments. We also believe that joint ventures may offer us attractive investment opportunities that would otherwise not be available with owners who are reluctant to sell a 100% interest in their property. Our joint ventures (which are generally classified as Redeemable Non-Controlling Interest or Non-Redeemable Non-Controlling Interest in our Operating Partnership) may be with an affiliate or with third parties. Generally, however, we will likely only enter into a joint venture in which we will control the decisions of the joint venture. If we do enter into joint ventures, we may assume liabilities related to the joint venture that exceed the percentage of our investment in the joint venture, and in that case our ability to operate profitably may be at risk if we are unable to cover the costs of operating the properties operated by those possible joint ventures.

Operation through Our Operating Partnership

We are the sole general partner of Generation Income Properties, L.P., our Operating Partnership, which is the subsidiary through which we conduct substantially all of our operations. Through its own subsidiaries, the Operating Partnership owns all of our properties, as shown below:

The following chart shows the structure of our company as of December 18, 2019:



(1) Brown Family Enterprises, LLC, the Clearlake Preferred Member, owns a redeemable limited partnership interest in GIPFL JV 1106 Clearlake Road, LLC.

See “Our Operating Partnership and the Partnership Agreement” for more information.

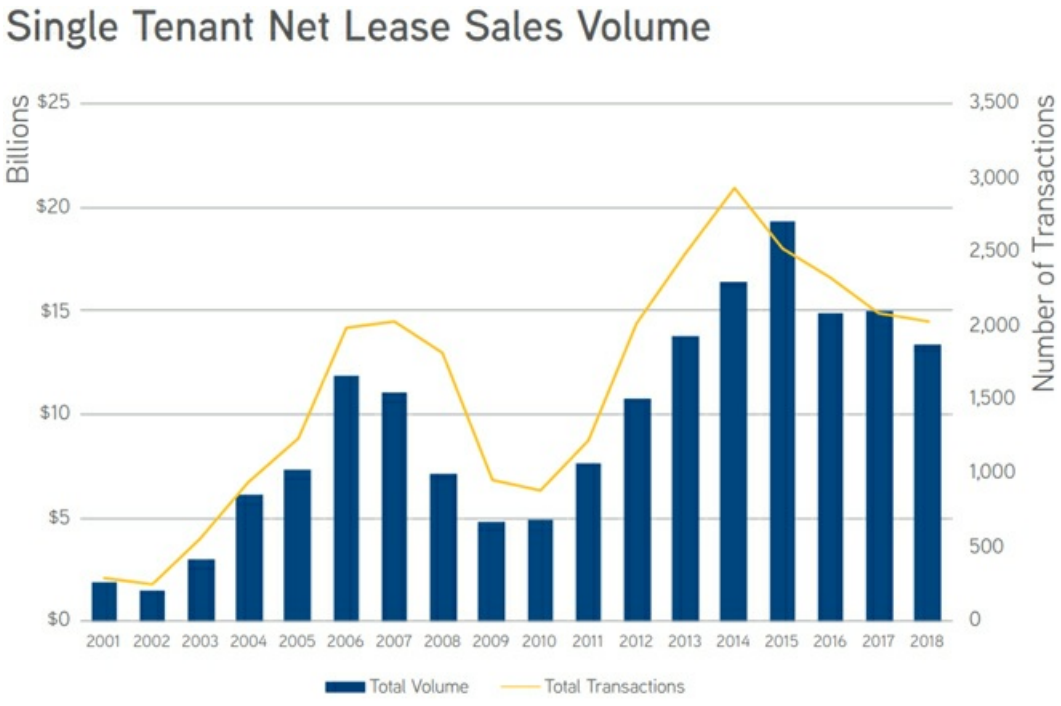
Market Opportunity

We believe that there is a current trend among REITs and other institutional purchasers of U.S. net lease properties to seek out properties that provide the highest initial return possible, including those properties in undesirable locations with lower real estate values. In our estimation, this trend provides an opportunity for us to purchase prime net lease real estate assets that are being overlooked by REITs and other institutional investors. With the vast number of similar real estate companies focused on assets fitting this immediate-return-criterion, we believe that many assets are being overlooked, and we will be searching for assets that we believe will have the greatest potential for long-term real estate appreciation, namely, those assets with a high credit-rated tenant in a long-term, net leased property.

A single net lease is a commercial real estate lease agreement in which the tenant agrees to pay property taxes in addition to rent. A single net lease is a form of pass through lease in which taxes associated with the property become the responsibility of the tenant instead of the landlord. On the other hand, a triple net lease is a commercial lease agreement in which the tenant agrees to pay a base rental amount and (1) the net amount of the landlord’s real estate taxes, (2) the net amount of the building insurance, and (3) the net amount of the common area maintenance expenses.

According to Real Capital Analytics and Colliers International U.S. Research Report “Single Tenant Net Lease Retail H2 2018” report, the dollar volume of single tenant net lease (STNL) retail property transactions fell 10.6% in 2018 versus 2017, while the number of transactions declined 2.6% year over year. After peaking in 2015, the transaction volume has declined to below 2013 levels indicating additional opportunities will begin to arise in coming years. This decrease followed a dramatic increase in transaction volume from 2009 through 2014, during which period attractive financing was widely available and industry fundamentals were generally favorable.

We believe that a number of factors, including debt defaults, maturity defaults and lack of available financing and under-capitalized owners, described above, will increase pressure on certain net lease owners to sell properties at prices that we believe are attractive and that transaction volumes will continue to decrease over the next several years.



Sources: Real Capital Analytics and Colliers International

Real Capital Analytics and Colliers International U.S. Research Report “Single Tenant Net Lease Retail H2 2018”

Our Opportunity

We intend to continue to raise money through securities offerings to continue to grow the assets of our Company. We currently own six properties which were acquired with debt, joint venture equity and using proceeds from a prior offering. We intend to acquire additional properties when we raise sufficient funds and identify suitable properties.

Competitive Strengths

We expect the following factors will benefit us as we implement our business strategy:

- *Experienced Board of Directors and Board of Advisors.* We believe that we have a seasoned and experienced board of directors and board of advisors that will help us achieve our investment objectives. In combination, our directors have approximately 47 years of experience in the real estate industry.
- *Experienced Leadership.* We are led by our Chairman and President, David Sobelman. He founded the company after serving almost 13 years in different capacities within the net lease commercial real estate market. In June 2017, Mr. Sobelman started 3 Properties, a commercial real estate brokerage firm focused solely on the net lease market. Mr. Sobelman has held various roles within the single tenant, net lease commercial real estate investment market, including investor, asset manager, broker, owner, analyst and advisor.
- *Focused Property Investment Strategy.* We have invested and intend to invest primarily in assets that are geographically located in prime markets throughout the United States, with an emphasis on the major primary and coastal markets, where we believe there are greater barriers to entry for the development of new net lease properties.
- *Disciplined Approach to Underwriting and Due Diligence*. Before acquiring a property, our team, led by Mr. Sobelman, intends to follow a disciplined underwriting and due diligence process. The due diligence process will focus on the credit worthiness of the tenants, lease term and quality, real estate fundamentals and risk adjusted return analysis.
- *Focus on Capital Preservation.* Our management team intends to place a premium on protecting and preserving capital by performing a comprehensive risk-reward analysis on each investment, with a focus on relative values among the target assets that are available in the market. We will utilize what we view as appropriate leverage with the goal to enhance equity returns while avoiding unwarranted levels of debt or excessive interest rate or re-financing exposure.
- *Existing Acquisition Pipeline.* We believe our extensive network of long standing relationships will provide us with access to a pipeline of acquisition opportunities that will enable us to identify and capitalize on what we believe are attractive acquisition opportunities for our leasing efforts.
- *Established and Developing Relationships with Real Estate Financing Sources.* We believe our existing relationships with institutional sources of debt financing could provide us with attractive and competitive debt financing options as we grow our property portfolio, and provide us the opportunity to refinance our existing indebtedness.
- *Growth-Oriented, Flexible and Conservative Capital Structure.* With the completion of this offering, we believe our capital structure will provide us with an advantage over many of our private and public competitors. Upon completion of this offering, we will have no legacy balance sheet issues and limited near-term maturities, which will allow management to focus on business and growth strategies rather than balance sheet repair.

Business Strategy and Investment Criteria

We expect to acquire and operate a portfolio of commercial real estate consisting primarily of freestanding, single-tenant commercial properties, net leased to investment grade tenants, which generally are companies that have a debt rating by Moody's Corporation of Baa3 or better or a credit rating by Standard & Poor's of BBB- or better, or their equivalents, are guaranteed by a company with such rating, and other creditworthy tenants located throughout the United States. We also may invest in a smaller number of multi-tenant properties that complement our overall investment objectives. In addition, we may invest in entities that make similar investments. We believe that these investments can produce attractive risk-adjusted returns because we expect to acquire properties that have a strong long-term potential at increasing the value of the real estate. Our long-term goal is to maintain a lower-leverage capital structure when acquiring assets for the portfolio. However, in the early stages of our business, with respect to assets either acquired with debt financing or refinanced, the debt financing amount generally could be up to approximately 80% of the acquisition price of a particular asset, provided, however, we are not restricted in the amount of leverage we may use to finance an asset.

We intend to elect and qualify to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020.

We utilize extensive research to evaluate target markets and properties, including a detailed review of the long-term economic outlook, trends in local demand generators, competitive environment, property systems and physical condition, and property financial performance. Specific acquisition criteria may include, but are not limited to, the following:

- premier properties;
- properties not subject to long-term management contracts with management companies;
- properties with stable primary tenants with good credit in long leases;
- potential return on investment initiatives, including upgrades and possible expansion;
- opportunities to implement value-added operational improvements; and
- strong demand growth characteristics supported by favorable demographic indicators.

Though we do not intend to engage in significant development or redevelopment of net lease properties, over the long term we may acquire properties that we believe would benefit from significant redevelopment or expansion.

If we believe outside help is desirable, we may enter into flexible management contracts with third-party net lease management companies for the operation of our net leases that will provide us with the ability to replace operators and/or reposition properties, to the extent that we determine to do so, and will align our operators with our objective of generating the highest return on investment. In addition, we believe that flexible management contracts could facilitate the sale of net leases, and we may seek to opportunistically sell net leases if we believe sales proceeds may be invested in net lease properties that offer more attractive risk-adjusted returns.

Financing Strategies

Our long-term goal is to maintain a lower-leveraged capital structure and lower outstanding principal amount of our consolidated indebtedness. However, we anticipate in the early stages of our business, with respect to assets either acquired with debt financing or refinanced, the debt financing amount generally could be up to approximately 80% of the acquisition price of a particular asset, provided, however, we are not restricted in the amount of leverage we may use to finance an asset. Particular assets may be more highly leveraged. Over time, we intend to reduce our debt positions through financing our long-term growth with equity issuances and some debt financing having staggered maturities. Our debt may include mortgage debt secured by our properties and unsecured debt. Over a long-term period, we intend to maintain lower levels of debt encumbering our properties.

When purchasing net lease properties, we have and may continue to issue common units in our Operating Partnership as full or partial consideration to sellers who may desire to take advantage of tax deferral on the sale of a net lease or participate in the potential appreciation in value of our common stock.

Competition

The net lease industry is highly competitive. We compete to acquire properties with other investors, including traded and non-traded public REITs, private equity investors and institutional investment funds, many of which have greater financial resources than we do, a greater ability to borrow funds to acquire properties and the ability to accept more risk than we can prudently manage. This competition increases the demand for the types of properties in which we wish to invest and, therefore, reduces the number of suitable acquisition opportunities available to us and increases the prices paid for such acquisition. This competition will increase if investments in real estate become more attractive relative to other forms of investment.

As a landlord, we will compete for tenants in the multi-billion dollar commercial real estate market with numerous developers and owners of properties, many of which own properties similar to ours in the same markets in which our properties are located. Many of our competitors will have greater economies of scale, have access to more resources and have greater name recognition than we do. If our competitors offer space at rental rates below current market rates or below the rental rates we charge our tenants, we may lose our tenants or prospective tenants and we may be pressured to reduce our rental rates or to offer substantial rent abatements, tenant improvement allowances, early termination rights or below-market renewal options in order to retain tenants when our leases expire.

Employees

As of the date of this prospectus, we have two employees, David Sobelman, who serves our Chief Executive Officer, President and Secretary, and Richard Russell who serves as our Chief Financial Officer. We plan to use consultants, attorneys, and accountants, as necessary and do not plan to engage any additional full-time employees in the near future unless determined by management.

Environmental Matters

To control costs, we intend to limit our investments to properties that are environmentally compliant or that do not require extensive remediation upon acquisition. To do this, we intend to conduct assessments of properties before we decide to acquire them. These assessments, however, may not reveal all environmental hazards. In certain instances we will rely upon the experience of our management and we expect that in most cases we will request, but will not always obtain, a representation from the seller that, to its knowledge, the property is not contaminated with hazardous materials. Additionally, we seek to ensure that many of our leases will contain clauses that require a tenant to reimburse and indemnify us for any environmental contamination occurring at the property. We do not intend to purchase any properties that have known environmental deficiencies that cannot be remediated.

Federal, state and local environmental laws and regulations regulate, and impose liability for, releases of hazardous or toxic substances into the environment. Under various of these laws and regulations, a current or previous owner, operator or tenant of real estate may be required to investigate and clean up hazardous or toxic substances, hazardous wastes or petroleum product releases or threats of releases at the property, and may be held liable to a government entity or to third parties for property damage and for investigation, cleanup and monitoring costs incurred by those parties in connection with the actual or threatened contamination. These laws typically impose cleanup responsibility and liability without regard to fault, or whether or not the owner, operator or tenant knew of or caused the presence of the contamination. The liability under these laws may be joint and several for the full amount of the investigation, cleanup and monitoring costs incurred or to be incurred or actions to be undertaken, although a party held jointly and severally liable may seek to obtain contributions from other identified, solvent, responsible parties of their fair share toward these costs. In addition, under the environmental laws, courts and government agencies have the authority to require that a person or company who sent waste to a waste disposal facility, such as a landfill or an incinerator, must pay for the cleanup of that facility if it becomes contaminated and threatens human health or the environment. Any of these cleanup costs may be substantial, and can exceed the value of the property. The presence of contamination, or the failure to properly remediate contamination, on a property may adversely affect the ability of the owner, operator or tenant to sell or rent that property or to borrow using the property as collateral, and may adversely impact our investment in that property.

Furthermore, various court decisions have established that third parties may recover damages for injury caused by property contamination. For instance, a person exposed to asbestos while occupying a net lease may seek to recover damages if he or she suffers injury from the asbestos. Lastly, some of these environmental laws restrict the use of a property or place conditions on various activities. An example would be laws that require a business using chemicals (such as swimming pool chemicals at a net lease property) to manage them carefully and to notify local officials that the chemicals are being used.

We could be responsible for any of the costs discussed above. The costs to clean up a contaminated property, to defend against a claim, or to comply with environmental laws could be material and could adversely affect the funds available for distribution to our shareholders. Prior to any acquisition of property, we will seek to obtain environmental site assessments to identify any environmental concerns at the property. However, these environmental site assessments may not reveal all environmental costs that might have a harmed our business, assets, results of operations or liquidity and may not identify all potential environmental liabilities.

As a result, we may become subject to material environmental liabilities of which we are unaware. We can make no assurances that (1) future laws or regulations will not impose material environmental liabilities on us, or (2) the environmental condition of our net lease properties will not be affected by the condition of the properties in the vicinity of our net lease properties (such as the presence of leaking underground storage tanks) or by third parties unrelated to us.

Insurance

We require our tenants to maintain liability and property insurance coverage for the properties they lease from us pursuant to net leases. Pursuant to the leases, our tenants may be required to name us (and any of our lenders that have a mortgage on the property leased by the tenant) as additional insureds on their liability policies and additional named insured and/or loss payee (or mortgagee, in the case of our lenders) on their property policies. All tenants are required to maintain casualty coverage. Depending on the location of the property, losses of a catastrophic nature, such as those caused by earthquakes and floods, may be covered by insurance policies that are held by our tenants with limitations such as large deductibles or co-payments that a tenant may not be able to meet. In addition, losses of a catastrophic nature, such as those caused by wind/hail, hurricanes, terrorism or acts of war, may be uninsurable or not economically insurable. In the event there is damage to any of our properties that is not covered by insurance and such properties are subject to recourse indebtedness, we will continue to be liable for any indebtedness, even if these properties are irreparably damaged. In addition to being a named insured on our tenants' liability policies, we intend to separately maintain commercial general liability coverage with an aggregate limit of $2,000,000. We also intend to maintain full property coverage on all untenanted properties and any other property coverage required by any of our lenders that is not required to be carried by our tenants under our leases.

JUMPSTART OUR BUSINESS STARTUPS ACT

In April 2012, the Jumpstart Our Business Startups Act ("JOBS Act") was enacted into law. The JOBS Act provides, among other things, exemptions for emerging growth companies from certain financial disclosure and governance requirements for up to five years.

In general, under the JOBS Act a company is an emerging growth company if its initial public offering ("IPO") of common equity securities was effected after December 8, 2011 and the company had less than $1.07 billion of total annual gross revenues during its last completed fiscal year. We currently qualify as an emerging growth company, but will no longer qualify after the earliest of:

- the last day of the fiscal year during which we have annual total gross revenues of $1.07 billion or more;
- the last day of the fiscal year following the fifth anniversary of the first sale of our common equity securities in an offering registered under the Securities Act;
- the date on which we issue more than $1 billion innon-convertible debt securities during a previous three-year period; or
- the date on which we become a large accelerated filer, which generally is a company with a public float of at least $700 million (Exchange Act Rule 12b-2).

As an emerging growth company, we are eligible to include audited financial statements required for only two fiscal years and limited executive compensation information.

Pursuant to the relief for emerging growth companies under the JOBS Act, our independent registered public accounting firm is not required to file an attestation report on our internal controls over financial reporting and is exempt from the mandatory auditor rotation rules.

In addition, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standard. The decision by companies to "opt out" of the extended transition period for complying with new or revised accounting standards is irrevocable. We are not electing to opt out of the JOBS Act extended accounting transition period. We intend to take advantage of the extended transition period provided under the JOBS Act for complying with new or revised accounting standards.

To the extent we take advantage of the reduced disclosure requirements afforded by the JOBS Act, investors may be less likely to invest in us or may view our shares as a riskier investment than a similarly situated company that does not take advantage of these provisions.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the sections of this prospectus entitled "Risk Factors," "Statements Regarding Forward-Looking Information," and "Our Business." This discussion contains forward-looking statements reflecting current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section entitled "Risk Factors" and elsewhere in this prospectus.

Overview

We are an internally managed, Maryland corporation focused on acquiring retail, office and industrial real estate located in major U.S. markets. We initiated operations during the year ended December 31, 2015 and we intend to elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020.

Our Investments

As of the date of this prospectus, we have acquired six assets:

- A single tenant retail condo (3,000 square feet) located at 3707-3711 14th Street, NW, Washington, D.C., purchased in June 2017 for approximately $2.6 million including fees, costs and other expenses that is leased to 7-Eleven Corporation.
- A single tenant retail stand-alone property (2,200 square feet) located at 1300 South Dale Mabry Highway in Tampa, Florida purchased in April 2018 for approximately $3.6 million with a corporate Starbucks Coffee as the tenant. The building was purchased with debt financing of $3.7 million, which was subsequently refinanced by a new mortgage loan in the amount of $11.3 million secured by this building, our Washington D.C. property described above and our Huntsville, Alabama property described below.
- A single tenant industrial building (59,000 square feet) located at 15091 Alabama Highway 20, in Huntsville, AL purchased for $8.4 million in December 2018 that is leased to the Pratt & Whitney Automation, Inc. The acquisition of the building was funded by debt financing of $6.1 million and preferred equity in one of our subsidiaries of $2.2 million. The debt incurred in connection with the acquisition of this building was subsequently refinanced by a new mortgage loan in the amount of $11.3 million described above and we redeemed the preferred equity interest in full on December 18, 2019.
- An approximately 15,000-square-foot, single tenant Walgreens in Cocoa, Florida purchased in September 2019 for total consideration of approximately $4.5 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $1.2 million and by debt financing of approximately $3.4 million.
- A two-tenant office building (72,000 square feet) in Norfolk, Virginia acquired in September 2019 for total consideration of approximately $11.5 million and occupied by the United States General Services Administration and Maersk Line, Limited, an international shipping company, as tenants. The acquisition of the building was funded by issuing 993,000 common units in our Operating Partnership, priced at $5.00 per unit, for a total value of $4,965,000 plus an additional $822,000 in cash, and the assumption of approximately $6.0 million of existing mortgage debt which was subsequently refinanced with a new $8.3 million mortgage loan.
- A single tenant office building (35,000 square feet) in Norfolk, Virginia acquired in September 2019 for approximately $7.1 million that is leased to PRA Holdings Inc. This acquisition was funded with the issuance of 406,650 common units in our Operating Partnership, priced at $5.00 per unit, for a total value of $2,033,250 plus an additional $100,000 in cash, and the assumption of approximately $5.2 million of existing mortgage debt.

We currently have one outstanding agreement to acquire a property:

- A purchase agreement on August 24, 2018 for the purchase of an approximately5,800-square-foot free-standing condominium unit located at 7100 Maritime Woods Drive, Manteo, North Carolina, solely occupied by the United States of America, for a total consideration of approximately $1.7 million. The single-tenant property is in a coastal area of North Carolina. During our due diligence with respect to the North Carolina Property, we discovered certain

deficiencies with respect to the condominium documents relating to the North Carolina Property and the parties entered into an amendment to the Purchase and Sale Agreement on November 21, 2018 extending our inspection period with respect to the North Carolina Property to within forty-five days of our acceptance and satisfaction of the corrective actions taken by the seller with respect to the deficiencies. We anticipate completing the acquisition of the condominium unit in March 2020.

Distributions

From inception through the date of this prospectus, we have distributed approximately $405,170 to common stockholders. Because we have not yet generated a profit, distributions have been made from offering proceeds.

Results of Operations

On February 29, 2016, our initial offering was qualified by the SEC and subsequently the Company has spent the majority of its efforts on fundraising operations and implementing our business plan including by acquiring our six properties.

Nine Months Ended September 30, 2019 Compared to the Nine Months Ended September 30, 2018

Revenue

During the nine-month period ended September 30, 2019, total revenues from operations were $857,013 as compared to $230,836 for the nine-month period ended September 30, 2018. Revenue includes $61,649 of reimbursed expenses for the nine-month period ended September 30, 2019 as compared to $27,410 of reimbursed expenses for the nine-month period ended September 30, 2018. Revenues increased $626,177 due to two additional properties generating revenue for the full nine months ended September 30, 2019 and in part 19 days of revenue from a property acquired on September 11, 2019.

Operating Expenses

During the nine-month period ended September 30, 2019, we incurred total expenses of $1,703,234 as compared to $380,214 of such expenses for the nine-month period ended September 30, 2018, which included total general, administrative and organizational ("GAO") of $788,913 for 2019 and $105,901 for 2018. The $683,012 increase in GAO expenses is due in part to costs associated with applying to be quoted on the OTCQB Venture Market, increasing the number of properties, costs associated with being a publicly reporting company which includes approximately $306,000 non-cash expense (issuance of 61,193 shares to the underwriter) for consulting services.

During the nine-month period ended September 30, 2019 and 2018, we incurred building expenses of $50,604 and $27,683, respectively. The increase is due to the additional properties which were owned for the entire nine months in 2019. The majority of these expenses are reimbursed by the tenant within 4 months.

During the nine-month period ended September 30, 2019 and 2018, we incurred depreciation and amortization expense of $306,363 and $103,319, respectively. The increase is due to the additional properties which were owned for the entire nine months in 2019.

During the nine-month period ended September 30, 2019 and 2018, we incurred interest expense on debt related to the purchase of property and the amortization of line of credit costs of $390,983 and $89,000 respectively. The increase in interest expense incurred is the result of additional mortgages related to the increase in the number of properties we owned in 2019.

During the nine-month period ended September 30, 2019, we agreed to pay a $85,000 settlement to a developer to terminate an agreement which had allowed for the opportunity to develop single tenant, net lease buildings throughout the U.S. over the next several years. The Company decided to terminate this agreement due to the inability to agree to terms on the development of individual locations.

During the nine-month period ended September 30, 2019 and 2018, we incurred compensation costs of $81,371 and $54,311 respectively. The increase is reflective of management compensation for the full nine-month period in 2019 versus only 3 months' compensation for our CEO for the full nine-month period in 2018 since we began compensating him on April 1, 2018.

Income Tax Benefit

We did not record an income tax benefit for the nine-months ended September 30, 2019 or 2018 because we have been in a net loss situation since inception and have recorded a valuation allowance to offset any tax benefits generated by the operating losses.

Net Loss

During the nine-month period ended September 30, 2019 and 2018, we generated a net loss of $846,221 and $149,378, respectively. The net loss was higher this year than the prior year primarily due to the increased costs associated with acquiring properties and costs associated with growing our business as a public company. As of September 30, 2019, we had an accumulated deficit of $1,728,253.

Year Ended December 31, 2018 Compared to Year Ended December 31, 2017

Operating Revenue

During the year ended December 31, 2018 and December 31, 2017, we generated rental revenue of $296,330 and $66,718, respectively. The increase in rental revenue is due to the Company owning three properties in 2018 versus one property in 2017.

Operating Expenses

For the year ended December 31, 2018, we incurred GAO expenses of $396,832, which included professional fees, marketing expenses and other costs associated with running our business. For the year ended December 31, 2017, we incurred GAO expenses of $114,503 which included professional fees, marketing expenses and other costs associated with running our business. The $282,000 increase in expenses from 2017 to 2018 is due in part to increased costs to operate a publicly held company, including finance and accounting consultants, legal expenses and other non-capitalizable costs for acquiring property.

For the twelve months ended December 31, 2018 and 2017, we incurred depreciation and amortization expense of $153,569 and $45,654, respectively. For the twelve months ended December 31, 2018 and 2017, we incurred interest expense of $145,107 and $2,714, respectively. The increase in depreciation and interest expense is due to the purchase of two additional properties during 2018.

For the twelve months ended December 31, 2018 and 2017, we incurred compensation expense of $81,377 and $0, respectively. The increase in compensation costs is due to our President being paid annual compensation of $100,000 starting on April 1, 2018.

Income Tax Benefit

We did not record an income tax benefit for the year ended December 31, 2018 or 2017 because we have been in a net loss situation since inception and have recorded a valuation allowance to offset any tax benefits generated by the operating losses.

Net Loss

During the year ended December 31, 2018, we generated a net loss of $480,555 as compared to a net loss of $96,153 for the year ended December 31, 2017. As of December 31, 2018, we had an accumulated deficit of $997,017.

Liquidity and Capital Resources

We require capital to fund our investment activities and operating expenses. Our capital sources may include net proceeds from offerings of our equity securities, cash flow from operations and borrowings under credit facilities. As of December 18, 2019, we had total cash (unrestricted and restricted) of approximately $1.6 million, properties with a cost basis of $38.7 million and outstanding debt of approximately $28.5 million.

We are currently dependent upon the net proceeds from our initial offering to conduct our operations. We currently obtain the capital required to primarily invest in and manage a diversified portfolio of commercial net lease real estate investments and conduct our operations from the proceeds of our initial offering, debt financing, preferred minority interest obtained from third parties and from any undistributed funds from our operations.

We anticipate that proceeds from our initial offering combined with the revenue generated from investment properties and proceeds from debt arrangements will provide sufficient liquidity to meet future funding commitments for the next 12 months. If we are unable to raise additional funds, we will make fewer investments resulting in less diversification in terms of the type, number, and size of investments we make. Our inability to raise substantial, additional funds would increase our fixed operating expenses as a percentage of gross income, reducing our net income and limiting our ability to make distributions.

For the nine months ended September 30, 2019 and the years ending December 31, 2018 and 2017, we had $2,355,213, $642,132 and $482,879, respectively, of cash on hand and in our corporate bank accounts primarily from the proceeds of capital raised in our offering and from cash generated from our rental operations. For the nine months ended September 30, 2019 and the year ended December 31, 2018 and 2017, we had total current liabilities (excluding the current portion of the acquired lease intangible liability which consists of accounts payable, accrued expenses, insurance payable and money owed to our President and related party expenses he incurred on behalf of the Company) of $233,081, $378,570 and $140,865, respectively. As of September 30, 2019, current mortgage loans due within 12 months total $3,683,052.

We may selectively employ some leverage to enhance total returns to our stockholders. During the period when we are acquiring our initial portfolio, portfolio-wide leverage may be higher. Our target portfolio-wide leverage after we have acquired an initial substantial portfolio of diversified investments may be greater than expected leverage over the long-term. As of September 30, 2019 and December 31, 2018, we had $26.7 million in outstanding borrowings on property with an aggregate cost basis of approximately $38.6 million.

	Interest Rate	Maturity Date	As of September 30, 2019	As of December 31, 2018
Promissory note issued for $3,700,000 by a financial institution, bearing interest at and interest payments due monthly of approximately $14,000. Note was issued on April 4, 2018 and can be prepaid at any time without penalty. Secured by our 7-Eleven property and our Starbucks property.	4.6289% adjusted monthly based on 30 day LIBOR plus 225 basis points	4/4/2020	$ 3,683,052	$ 3,684,039
Promissory note issued for $6,100,000 by a financial institution, interest and principal payments due monthly of approximately $25,000. Note was issued on December 20, 2018 and can be prepaid at any time without penalty. Secured by our Pratt and Whitney property.	4.7394% adjusted monthly based on 30 day LIBOR plus 225 basis points	12/20/2020	$ 6,097,407	6,100,000
Promissory note issued for $3,407,391 by a financial institution, interest and principal payments due monthly of approximately $25,000. Note was issued on September 11, 2019 and can be prepaid at any time without penalty. Secured by our Walgreen—Cocoa, Florida property	4.17% adjusted monthly based on 30 day LIBOR plus 225 basis points	9/11/2021	$ 3,407,391	—
Promissory note issued for $8,260,000 by a financial institution, interest and principal payments due monthly of approximately $44,800. Note was issued on September 30, 2019 and can be prepaid at any time without penalty. Secured by our GSA/Maersk—Norfolk, Virginia property	4.25%	9/30/2024	$ 8,260,000	—
Promissory note issued for $5,216,749 by a financial institution, interest and principal payments due monthly of approximately $29,600. Note was originally issued on October 23, 2017 and modified on September 30, 2019 and can be prepaid at any time without penalty. Secured by our PRA—Norfolk, Virginia property	4.25%	10/23/2024	$ 5,216,749	—
Less: debt issuance costs, net			(208,050)	(69,256)
			$ 26,456,549	**$ 9,714,783**

Subsequent to September 30, 2019, our Operating Partnership issued a $1.9 million secured, non-convertible promissory note to the Clearlake Preferred Member, which is secured by all of the personal and fixture property of the Operating Partnership. This note accrues interest at a 10% per annum rate, which is payable monthly to the Clearlake Preferred Member. The principal amount of this note, and any unpaid interest thereon, will become due and payable on the earlier of December 16, 2021 or the occurrence of an event of default under the note.

On February 11, 2020, we obtained a $11.3 million loan from DBR Investments Co. Limited and used the proceeds (i) to refinance the $3.7 million note secured by our 7-Eleven property and our Starbucks Property, (ii) to refinance the $6.1 million note secured by our Pratt and Whitney Property, (iii) to prepay a portion of the outstanding principal of the $1.9 million secured, non-convertible promissory note issued by our Operating Partnership and (iv) for working capital purposes. The $11.3 million loan is secured by first priority mortgages on our 7-Eleven property, our Starbucks property and our Pratt and Whitney property.

The Company amortized debt issuance costs during the nine-month periods ended September 30, 2019 and 2018 to interest expense of $32,507 and $8,106, respectively. The Company incurred debt issuance costs for the nine months ended September 30, 2019 of $171,301.

As of February 12, 2020, we had four promissory notes totaling approximately $28.2 million, of which one promissory note in the amount of approximately $3.4 million requires us to maintain a debt service coverage ratio (also known as a "DSCR") of 1.10:1.0 and three promissory notes totaling approximately $24.8 million require our properties to maintain a DSCR of 1.25:1.0. On December 16, 2019, our Operating Partnership issued a secured non-convertible promissory note to the Clearlake Preferred Member for $1.9 million that is due on December 16, 2021 and bears an interest rate of 10%. The loan is repayable without penalty at any time. The loan is secured by all of the personal and fixture property assets of the Operating Partnership. On December 18, 2019, we redeemed 100% of the Alabama Preferred Member's membership interests in the Alabama Subsidiary for approximately $2.4 million in cash, using existing cash and the proceeds from the $1.9 million secured non-convertible promissory note. On February 12, 2020 we prepaid a portion of the outstanding principal of the $1.9 million note issued to the Clearlake Preferred Member.

Our President has personally guaranteed the repayment of up to fifty percent of the outstanding principal due under the Cocoa American Momentum Loan. The principal amount of the Cocoa American Momentum Loan is approximately $3.4 million. Our President has also provided a guaranty of the Borrower's nonrecourse carveout liabilities and obligations in favor of Bayport Credit Union in connection with the Walmer Avenue Bayport Loan and the Corporate Boulevard Bayport Loan, the principal amount of which totals approximately $13.5 million, and he has personally guaranteed certain recourse obligations and other liabilities with respect to the DC/Tampa/Alabama Loan.

As of September 30, 2019, we obtained three additional loans in an aggregate principal amount of approximately $16.9 million for the acquisitions of the Walmer Avenue Property, the Corporate Boulevard Property and the Cocoa Property. The three new loans consist of a $3.4 million loan from American Momentum Bank, secured by the Cocoa Property, and an $8.3 million loan and $5.2 million loan from Bayport Credit Union, secured by the Walmer Avenue Property and Corporate Boulevard Property, respectively. The $3.4 million loan from American Momentum Bank requires Generation Income Properties, Inc. to maintain a debt service coverage ratio of not less than 1.10 to 1.0, measured annually, commencing December 31, 2019. Our loans from Bayport Credit Union require us to maintain a debt service coverage ratio of not less than 1.25 to 1.0 with respect to each of the Walmer Avenue Property and the Corporate Boulevard Property, and a 1.0 to 1.0 debt service coverage ratio with respect to all of our properties, in each case tested on trailing twelve month based on our annual tax returns. The $3.4 million loan from American Momentum Bank matures on September 11, 2021, and our $8.3 million loan and $5.2 million loan with Bayport Credit Union mature on September 30, 2024 and October 23, 2024, respectively.

Minimum required principal payments on the Company's debt as of September 30, 2019 are as follows:

	As of September 30, 2019
2019	$ 80,288
2020	10,110,263
2021	3,751,488
2022	359,010
2023	374,568
2024	11,988,982
	$26,664,599

In June 2017, we received a $5,000,000 revolving line of credit from a commercial bank. We have never utilized any of our line of credit and it expired June 30, 2019. During the nine months ended September 30, 2019, the Company amortized $16,624 of line of credit costs to interest expense.

As of September 30, 2019 we have raised approximately $5,199,000 of gross proceeds from the sale of 1,039,767 shares of common stock in our initial offering under Regulation A and subsequent private placements.

In February 2018 we signed a preliminary financing arrangement with affiliates of Oak Street Real Estate Capital, LLC, a $1.25 billion private equity fund. Oak Street has agreed to provide up to $15 million of preferred equity capital through a yet-to-be-formed joint venture with our Operating Partnership to the extent we locate suitable properties that fit their investment criteria, which includes an investment grade credit tenancy, a triple-net lease with a term of 12 years or longer, and a capitalization rate of 7.0% or greater.

The primary objective of our financing strategy is to maintain financial flexibility using retained cash flows, long-term debt and common and perpetual preferred stock to finance our growth. We intend to have a lower-leveraged portfolio over the long-term after we have acquired an initial substantial portfolio of diversified investments. During the period when we are acquiring our initial portfolio, we will employ greater leverage on individual assets (that will also result in greater leverage of the initial portfolio) in order to quickly build a diversified portfolio of assets.

There can be no assurance that we will be able to keep costs from being more than these estimated amounts or that we will be able to raise such funds. Even if we sell all shares offered through this registration statement, we expect that we will seek additional financing in the future. If we are unsuccessful at raising sufficient funds, for whatever reason, to fund our operations, we may be forced to seek a buyer for our business or another entity with which we could create a joint venture. If all of these alternatives fail, we expect that we will be required to seek protection from creditors under applicable bankruptcy laws.

We expect to meet our short-term liquidity requirements generally through net cash provided by operations, existing cash balances and, if necessary, short-term borrowings under a new credit facility. We believe that our net cash provided by operations will be adequate to fund certain operating requirements and pay interest on any borrowings. In the near-term, we intend to fund future investments in properties with the net proceeds of this offering.

We expect to meet our long-term liquidity requirements, including with respect to other investments in properties, property acquisitions and scheduled debt maturities, through the cash we will have available upon completion of this offering and borrowings under a new credit facility and periodic issuances of equity securities and long-term secured and unsecured debt. The success of our acquisition strategy may depend, in part, on our ability to obtain and borrow under a new credit facility and to access additional capital through issuances of equity and debt securities. However, if we are unable to raise more funds than what we currently have, we will make fewer investments resulting in less diversification in terms of the type, number, and size of investments we make and the value of an investment in us will fluctuate with the performance of the specific assets we acquire. Further, we will have certain fixed operating expenses regardless of whether we are able to raise substantial funds in this offering. Our inability to raise substantial funds would increase our fixed operating expenses as a percentage of gross income, reducing our net income and limiting our ability to make distributions.

Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Non-GAAP Financial Measures

Our reported results are presented in accordance with GAAP. We also disclose funds from operations (FFO) and adjusted funds from operations (AFFO) both of which are non-GAAP financial measures. We believe these two non-GAAP financial measures are useful to investors because they are widely accepted industry measures used by analysts and investors to compare the operating performance of REITs.

FFO and AFFO do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements; accordingly, they should not be considered alternatives to net income as a performance measure or cash flows from operations as reported on our statement of cash flows as a liquidity measure and should be considered in addition to, and not in lieu of, GAAP financial measures.

We compute FFO in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as GAAP net income or loss adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate related depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries. To derive AFFO, we modify the NAREIT computation of FFO to include other adjustments to GAAP net income related to non-cash revenues and expenses such as amortization of deferred financing costs, amortization of capitalized lease incentives, above- and below-market lease related intangibles, non-cash stock compensation, and non-cash compensation. Such items may cause short-term fluctuations in net income but have no impact on operating cash flows or long-term operating performance. We use AFFO as one measure of our performance when we formulate corporate goals.

FFO is used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers primarily because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We believe that AFFO is an additional useful supplemental measure for investors to consider because it will help them to better assess our operating performance without the distortions created by other non-cash revenues or expenses. FFO and AFFO may not be comparable to similarly titled measures employed by other companies.

We also use Core FFO and Core AFFO to adjust for non-capitalized costs incurred by the Company in relation to initial public company status, non-recurring litigation costs/settlements and costs incurred with up-listing to Nasdaq. These costs will typically include non-cash stock compensation, consulting fees to investment banks and consultants for advice for public company status. Core FFO and Core AFFO may not be comparable to similarly titled measures employed by other companies.

The following table reconciles net income (which we believe is the most comparable GAAP measure) to FFO and AFFO:

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018	Twelve Months Ended December 31, 2018
Net Income	$ (846,221)	$ (149,378)	$ (455,820)
Depreciation	234,158	84,588	124,562
Funds From Operations	**(612,063)**	**(64,790)**	**(331,258)**
Non-cash stock compensation	312,997	—	—
Public company consulting fees	50,000	—	—
Non-recurring litigation expenses and settlements	85,000	—	—
Core Funds From Operations	**(164,066)**	**(64,790)**	**(331,258)**

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018	Twelve Months Ended December 31, 2018
Net Income	$ (846,221)	$ (149,378)	$ (455,820)
Adjusted Funds From Operations			
Depreciation	234,158	84,588	124,562
Amortization of deferred financing costs	49,131	11,755	18,066
Above- and below-market lease related intangibles	(12,088)	(10,594)	(14,125)
Amortization of in place lease costs	72,207	18,731	29,007

Adjustments From Operations	343,408	104,480	157,510
Adjusted Funds From Operations	(502,813)	(44,898)	(298,310)
Non-cash stock compensation	312,997	—	—
Public company consulting fees	50,000	—	—
Non-recurring litigation expenses and settlements	85,000	—	—
Core Adjusted Funds From Operations	**(54,816)**	**(44,898)**	**(298,310)**

Critical Accounting Policies

Our financial statements are affected by the accounting policies used and the estimates and assumptions made by management during their preparation. See Note 2 to our audited consolidated financial statements for the year ended December 31, 2018 for a summary of our significant accounting policies.

Recently Adopted Accounting Standards

In February 2016, the FASB issued ASU2016-02, *Leases* ("ASU 2016-02"), which amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. ASU 2016-02 will be effective for the Company beginning January 1, 2019. The new standard was adopted using a modified retrospective method. Based on the election of the package of practical expedients, the Company has determined that its leases where it is the lessor will continue to be accounted for as operating leases under the new standard. Further, the Company has elected the practical expedient to not separate non-lease components from lease components. Therefore, as of January 1, 2019, for the Company's leases where it is the lessor, the Company does not anticipate changes in the accounting for its lease revenues and expenses. The Company's office lease where it is the lessee is scoped out from ASU 2016-02 as it is a month-month lease.

In June 2018, the FASB issued ASU2018-07, "Compensation—Stock Compensation (Topic 718): Improvement to Nonemployee Share-Based Payment Accounting," which intended to reduce cost and complexity and to improve financial reporting for share-based payments issued to nonemployees (for example, service providers, external legal counsel, suppliers, etc.). ASU 2018-07 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The amendments in this update are required to be applied prospectively to stock awards issued to nonemployees on or after the adoption date. This standard became effective for the Company on January 1, 2019. This standard did not have a material impact on the Company's previously issued consolidated financial statements.

OUR MANAGEMENT

Directors and Officers

The following table provides information regarding our executive officers and directors as of February 6, 2020:

Name	Age	Position
David Sobelman	48	Chairman of the Board of Directors, President, Secretary and Treasurer
Richard Russell	59	Chief Financial Officer
Benjamin Adams*	48	Board Member
Patrick Quilty*	53	Board Member
Betsy Peck*	59	Board Member
Stuart Eisenberg*	57	Board Member

* Independent as determined pursuant to the rules of the Nasdaq Stock Market LLC.

The following are biographical summaries of the experience of our directors and executive officers:

David Sobelman serves as chairman of our Board and our president, secretary, and treasurer. He founded Generation Income Properties, Inc. after serving almost 13 years in different capacities within the net lease commercial real estate market. In June 2017, Mr. Sobelman started 3 Properties, a commercial real estate brokerage firm focused solely on the net lease market. Mr. Sobelman has held various roles within the single tenant, net lease commercial real estate investment market, including investor, asset manager, broker, owner, analyst and advisor. In 2005, David began working with Calkain Companies LLC, a real estate brokerage and advisory firm. During his tenure, Calkain grew from two employees to over 40, and became one of the leading single tenant, net lease firms in the country. Prior to Mr. Sobelman's career in single tenant, net lease investments, he served as a member of The White House staff, and was subsequently appointed to work for the Secretary of the Department of Health and Human Services. Mr. Sobelman co-wrote *The Little Book of Triple Net Lease Investing*, a leading book on the single tenant,triple-net lease investment market, which is currently in its second edition. Mr. Sobelman is a featured speaker at conferences in the United States and abroad and has been quoted in articles in The Wall Street Journal, Forbes, Fortune and various regional real estate trade publications. Mr. Sobelman received a bachelor of science degree from the University of Florida and is an alumnus of the Harvard Business School Executive Education Real Estate Management Program. Mr. Sobelman is a board member for the University of Florida Foundation.

Richard Russell has served as Chief Financial Officer of the company since December 20, 2019 and prior to that time he served as a financial consultant to us. Mr. Russell also has served as Chief Financial Officer of LM Funding America Inc. since November 2017. Since 2016 Mr. Russell has provided financial and accounting consulting services with a focus on technical and external reporting, internal auditing, mergers & acquisitions, risk management and interim CFO and controller services. Mr. Russell also served as Chief Financial Officer for Mission Health from 2013 to 2016 and before that, Mr. Russell served in a variety of roles for Cott Corporation from 2007 to 2013 including Senior Director Finance, Senior Director of Internal Auditing and Assistant Corporate Controller. Mr. Russell's extensive professional experience with public companies includes his position as Director of Financial Reporting and Internal Controls for Quality Distribution and as Danka's Director of Reporting from 2001 – 2004. Mr. Russell earned his bachelor of science in accounting and a masters in tax accounting from the University of Alabama, a bachelor of arts in international studies from the University of South Florida and a masters in business administration from the University of Tampa.

Benjamin Adams has been a board member since July 2019. He has also been Chief Executive Officer and Founder of Ten Capital Management since May 2011, an independent, fundamental value-driven private equity real estate firm based in Cleveland, Ohio. He is responsible for the strategic direction and oversight of all firm activities. From January 2008 to April 2011, Mr. Adams was a Portfolio Manager with The Townsend Group, where he oversaw $1.7 billion in private equity real estate assets under management within the firm's discretionary investment management business, and was actively involved in product development and structuring. Prior to Townsend, Mr. Adams was a Vice President and General Counsel of Lionstone Development LLC, a Miami-based, principal balance sheet investor.

Mr. Adams practiced law with Greenberg Traurig LLP in New York, New York, and served as the Special Assistant to the White House Counsel in the Clinton Administration. Mr. Adams has a law degree from Georgetown University Law Center and a Bachelor of Arts from Miami University in Oxford, Ohio. Mr. Adams is the founder and Chairman Emeritus of the Defined Contribution Real Estate Council (DCREC). He also brings an understanding of accounting principles and financial presentation and analysis.

Patrick Quilty has been a board member since July 2019. He has also been Chief Credit Officer for AIG Multinational and Alternative Risk Group since September 2012. He is responsible for overseeing, assessing and approving a portfolio of highly structured transactions providing global risk solutions for middle market and Fortune 50 companies across diversified industries. From October 2010 to September 2012, Mr. Quilty was Co-Founder and Head of Credit Risk at Specialized Performance Advisory Group LLC, an independent asset management firm providing investment, advisory and risk counseling for family office and institutional clients. From November 2003 to October 2010, Mr. Quilty was a Senior Portfolio Manager for Barclays Capital Loan Portfolio focused on the Specialty Finance and REIT sectors. Mr. Quilty has also served as a credit derivatives trader in their Principal Credit and Risk Finance Group.

Over his thirty-year career, Mr. Quilty has held senior portfolio, trading and risk management positions at ABN AMRO, Chase Asset Management, Lehman Brothers and JP Morgan. Mr. Quilty has a Bachelor of Science in Economics from Florida State University and completed graduate coursework in Real Estate Investment and Development at the Steven L Newman Real Estate Institute at Baruch College. He also brings an understanding of accounting principles, risk management, financial presentation and analysis.

Betsy Peck was appointed a board member on February 3, 2020. She retired in 2018 from Jones Lang LaSalle ("JLL") a publicly held professional services firm specializing in real estate and investment management. Ms. Peck served in various positions from July 2008 to March 2018 with the latest position being Chief Operating Officer, Markets where she was responsible for managing a $2 billion operation with more than 1,000 sales professionals for maximum efficiency and effectiveness, driving ongoing growth. Prior to this role, Ms. Peck served as JLL's Chief Administrative Officer, Brokerage from July 2008 to December 2012. Ms. Peck also served as Chief Administrative Officer at The Staubach Company where she worked from June 1996 to July 2008, she was a senior partner who drove strategy and execution for optimum integration of finance, human resources, IT and administration. She was also an integral member of the team during the company's merger with Jones Lang LaSalle. Prior to that, Ms. Peck served in a variety of companies in various finance and accounting functions.

Ms. Peck obtained a Bachelor of Science in Accounting from the University of Scranton and is a certified public accountant. She is a member of the American Institute of Certified Public Accountants and a member of the National Association of Corporate Directors. Ms. Peck also serves or has served as an advisory board member for several companies including Forge, Patrocinium and BB&T. Ms. Peck's experience serving publicly-held companies brings to our Board of Directors an understanding of public company operations, financial reporting, disclosure, and corporate governance. With her accounting education and experience, she also brings an understanding of accounting principles, internal accounting control and financial presentation and analysis.

Stuart Eisenberg was appointed a board member on February 3, 2020. He recently retired from BDO USA, LLP where he was a partner in the real estate services group from July 1997 until June 2019. Mr. Eisenberg served as the firm's national real estate and construction industry practice leader and a member of the firm's international real estate and construction industry steering committee. His experience includes consulting in connection with the formation, structuring and development of REITs and real estate operating companies. He also provided financial reporting and due-diligence services in numerous initial and follow-on public offerings and in connection with the acquisition, financing and dispositions of commercial real estate.

Mr. Eisenberg has a bachelor's degree from Adelphi University and is a member of the American Institute of Certified Public Accountants and the New York State Society of Certified Public Accountants. Mr. Eisenberg's experience serving publicly-held companies brings to our Board of Directors a comprehensive understanding of public company operations, financial reporting, and corporate governance, as well as perspective regarding potential acquisitions. With his public accounting background, he also brings a sophisticated understanding of accounting principles, auditing standards, and internal accounting controls.

Board of Advisors

We have formed a board of advisors. The board of advisors' purpose is solely to provide non-binding advice and counsel to our Board of Directors. The current members of our board of advisors are as follows:

Douglas Band was appointed to our board of advisors in April 2015. Mr. Band presently serves on: the faculty of New York University as an Adjunct Professor; the Georgetown University Board of Regents, and the New York City Football Club Board of Directors. He is also a trustee on: the Boy's Club of NY; the First Tee of NY; and, the Oklahoma City National Memorial Museum. He served on the Clinton Global Initiative Board of Directors from its inception in 2008 until its conclusion in 2012; the Clinton Global Initiative Advisory Board; the Clinton Foundation Sweden Board of Directors; the Humana Challenge; the Coca-Cola Company International Advisory Board; and the America's Cup Organizing Committee. Mr. Band was former President Clinton's Chief Advisor from 2002 until 2012. In 2010, Mr. Band also served on the Board of Directors of the United States Bid Committee for the World Cup. In 2009, he worked as part of Hillary Clinton's transition team for her role as Secretary of State. Mr. Band began working in the White House in 1995, serving in the White House Counsel's office for four years and later in the Oval Office as the President's Aide. Mr. Band graduated from the University of Florida in 1995 and obtained a masters and a Law degree from Georgetown University.

James (Jamie) Graff was appointed to our board of advisors in April 2015. Jamie Graff is currently Head of Real Estate Investment Banking for Raymond James and has 15 years of investment and merchant banking experience, 13 of which have been with the Real Estate Investment Banking group covering REITs, lodging companies and home builders. He has managed more than 150 equity transactions that raised over $25 billion in various forms of capital in the public and private markets, and he has represented clients in numerous M&A transactions value in excess of $5 billion where he has been since 2001. Prior to joining Real Estate Investment Banking, Mr. Graff worked at Raymond James Capital, a middle-market merchant banking fund, and at Robertson Stephens and Merrill Lynch investment banking. He graduated with honors from Pennsylvania State University with a Bachelor of Science in finance and a minor in economics.

Melvin Lazar was appointed to our board of advisors in April 2015. Mr. Lazar founded Lazar Levine & Felix LLP ("LL&F") in 1968. LL&F merged into ParenteBeard LLC in February 2009, and Mr. Lazar continued as an employee and consultant there until September 2014. Since 2002, Mel has been a Board Member and Audit Committee Chairman of several public and privately-held companies including, the Arbor Realty Trust, Inc. and Active Media Services, Inc., an ESOP owned company. Mr. Lazar received a Bachelor of Business Administration (BBA) from the City College of New York (now Baruch College) in 1960 and became a Certified Public Accountant (CPA) in 1964.

Conflicts of Interest

We do not have a formal written policy for the review and approval of transactions with related parties. Our unwritten policy with regard to transactions with related persons is that all material transactions are to be reviewed by the entire Board for any possible conflicts of interest. The Board is responsible for review, approval, or ratification of "related-person transactions" involving the Company and related persons. Our independent Board members will review any future transactions or agreements with Mr. Sobelman, 3 Properties or any other related party of Mr. Sobelman or the Company.

We may be subject to various conflicts of interest arising out of using 3 Properties, which is managed by our President and our Chairman of the Board. 3 Properties will receive substantial fees from us, which will not be negotiated at arm's length. These fees could influence Mr. Sobelman's advice to us, as well as the judgment of 3 Properties. Among other matters, these financial arrangements could impact their judgment with respect to:

- the continuation, renewal or enforcement of our agreements with 3 Properties;
- sales of properties and other investments, which may entitle 3 Properties to brokerage commissions; and
- acquisitions of properties, which may entitle 3 Properties to brokerage commissions and asset management fees, which may influence Mr. Sobelman to recommend riskier transactions to us or to purchase assets that may not be in the best interest of our stockholders.

We may purchase properties where 3 Properties identifies properties for the Company or represents the seller of a property we purchase, which would entitle 3 Properties to brokerage commissions in that transaction, which range between 1.0% and 2.0% of the purchase price of a property and are paid from the seller's proceeds. We currently use 3 Properties as our property manager for all of our properties, for which they are compensated on a monthly basis. See "Our Business- Description of Real Estate/Description of our Investments-Property Management Agreements" included herein for a description of such agreements.

Possible additional conflicts of interest related to 3 Properties may include, (1) conflicts related to compensation payable by us to 3 Properties that may not be on terms that would result from arm's-length negotiations between unaffiliated parties, (2) conflicts related to the allocation of time between providing services to us and other real estate programs in which it is involved and (3) conflicts related to compensation from us indirectly received by our President and Chairman from 3 Properties.

The sellers of properties acquired by the Company have paid 3 Properties $230,224, $124,616 and $0 during the nine months ended September 30, 2019 and years ended December 31, 2018 and 2017, respectively, in brokerage fees for the acquisition of four properties. The Company also engaged 3 Properties to be its asset manager and has paid it $8,705, $2,191 and $0 during the nine months ended September 30, 2019 and years ended December 31, 2018 and 2017, respectively.

Mr. Sobelman also operates a separate real estate investment fund named GIP Fund 1, LLC. This fund is a Florida limited liability company. GIP Fund 1, LLC was organized in 2012 and owns one real estate investment property.

Director Independence

The Nasdaq Marketplace Rules require a majority of a listed company's board of directors to be comprised of independent directors. In addition, the Nasdaq Marketplace Rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act.

Under Rule 5605(a)(2) of the Nasdaq Marketplace Rules, a director will only qualify as an "independent director" if, in the opinion of our board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3 of the Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries.

Our board of directors has reviewed the composition of our board of directors and its committees and the independence of each director. Based upon information requested from and provided by each director concerning their background, employment and affiliations, including family relationships, our board of directors has determined that each of Benjamin Adams, Patrick Quilty, Betsy Peck and Stuart Eisenberg is an "independent director" as defined under Rule 5605(a)(2) of the Nasdaq Marketplace Rules. Our board of directors also determined that the directors who each serve on our audit committee, our compensation committee, and our nominating and corporate governance committee, satisfy the independence standards for such committees established by the SEC and the Nasdaq Marketplace Rules, as applicable. In making such determinations, our board of directors considered the relationships that each such non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining independence, including the beneficial ownership of our capital stock by each non-employee director.

Board Committees

Our board of directors has established three standing committees — audit, compensation, and nominating and corporate governance — each of which will operate under a charter approved by our board of directors prior to the completion of this offering. Prior to the completion of this offering, copies of each committee's charter will be posted on the Investor Relations section of our website, which is located at www.gipreit.com. Each committee has the composition and responsibilities described below. Our board of directors may from time to time establish other committees.

Audit Committee

Our audit committee consists of Benjamin Adams, Betsy Peck and Stuart Eisenberg, with Mr. Eisenberg serving as the chair of the committee. Our board of directors has determined that each of the members of our audit committee satisfies the Nasdaq Marketplace Rules and SEC independence requirements. The functions of this committee include, among other things:

- evaluating the performance, independence and qualifications of our independent auditors and determining whether to retain our existing independent auditors or engage new independent auditors;
- reviewing and approving the engagement of our independent auditors to perform audit services and any permissible non-audit services;
- reviewing our annual and quarterly financial statements and reports, including the disclosures contained under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," and discussing the statements and reports with our independent auditors and management;
- reviewing with our independent auditors and management significant issues that arise regarding accounting principles and financial statement presentation and matters concerning the scope, adequacy and effectiveness of our financial controls;
- reviewing our major financial risk exposures, including the guidelines and policies to govern the process by which risk assessment and risk management is implemented; and
- reviewing and evaluating on an annual basis the performance of the audit committee, including compliance of the audit committee with its charter.

Our board of directors has determined that Mr. Eisenberg qualifies as an "audit committee financial expert" within the meaning of applicable SEC regulations and meets the financial sophistication requirements of the Nasdaq Marketplace Rules. Both our independent registered public accounting firm and management periodically will meet privately with our audit committee.

Compensation Committee

Our compensation committee consists of Benjamin Adams, Stuart Eisenberg and Patrick Quilty, with Mr. Adams serving as the chair of the committee. Our Board has determined that each of the members of our compensation committee satisfies the Nasdaq Marketplace Rules independence requirements. The functions of this committee include, among other things:

- reviewing, modifying and approving (or if it deems appropriate, making recommendations to the full board of directors regarding) our overall compensation strategy and policies;
- reviewing and approving the compensation, the performance goals and objectives relevant to the compensation, and other terms of employment of our executive officers;
- reviewing and approving (or if it deems appropriate, making recommendations to the full board of directors regarding) the equity incentive plans, compensation plans and similar programs advisable for us, as well as modifying, amending or terminating existing plans and programs;

- reviewing and approving the terms of any employment agreements, severance arrangements, change in control protections and any other compensatory arrangements for our executive officers;
- reviewing with management and approving our disclosures, once required, under the caption "Compensation Discussion and Analysis" in our periodic reports or proxy statements to be filed with the SEC; and
- preparing the report that the SEC requires in our annual proxy statement, once required.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Benjamin Adams, Betsy Peck and Patrick Quilty, with Ms. Peck serving as the chair of the committee. Our board of directors has determined that each of the members of this committee satisfies the Nasdaq Marketplace Rules independence requirements. The functions of this committee include, among other things:

- identifying, reviewing and evaluating candidates to serve on our board of directors consistent with criteria approved by our board of directors;
- evaluating director performance on our board of directors and applicable committees of our board of directors and determining whether continued service on our board of directors is appropriate;
- evaluating, nominating and recommending individuals for membership on our board of directors; and
- evaluating nominations by stockholders of candidates for election to our board of directors.

We do not have a policy regarding the consideration of any director candidates that may be recommended by our stockholders, including the minimum qualifications for director candidates, nor has our board established a process for identifying and evaluating director nominees. We have not adopted a policy regarding the handling of any potential recommendation of director candidates by our stockholders, including the procedures to be followed. Our board has not considered or adopted any of these policies, as we have never received a recommendation from any stockholder for any candidate to serve on our Board. While there have been no nominations of additional directors proposed, in the event such a proposal is made, our current board will participate in the consideration of director nominees.

Code of Business Conduct and Ethics

Our board of directors has adopted a written code of conduct that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We post on our website a current copy of the code and intend to post any disclosures that are required by law or Nasdaq Marketplace Rules concerning any amendments to, or waivers from, any provision of the code that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

Family Relationships

There are no family relationships between or among any of our directors or executive officers. There are no family relationships among our officers and directors and those of our subsidiaries.

Board Leadership Structure

Our Board does not have a policy on whether the same person should serve as both the President and Chairman of the Board or, if the roles are separate, whether the Chairman should be selected from the non-employee directors or should be an employee. Our Board believes that it should have the flexibility to periodically determine the leadership structure that it believes is best for the Company. The Board believes that its current leadership structure, with Mr. Sobelman serving as both President and Board Chairman, is appropriate given the efficiencies of having the President also serve in the role of Chairman. The Board currently believes that Mr. Sobelman is uniquely qualified to serve as President and in the role of leader of the Board given his history and experience with the Company, his significant ownership interest in the Company and the current size of the Company and the Board.

Our lead independent director is currently Benjamin Adams. The Chairman and the President consults periodically with the lead director on Board matters and on issues facing the Company. In addition, the lead director serves as the principal liaison between the Chairman of the Board and the independent directors and presides at an executive session of non-management directors at each regularly scheduled Board meeting.

Role of Board in Risk Oversight Process

We face a number of risks, including those described under the caption "Risk Factors" contained elsewhere in this prospectus. Our board of directors believes that risk management is an important part of establishing, updating and executing on our business strategy. Our board of directors has oversight responsibility relating to risks that could affect our corporate strategy, business objectives, compliance, operations, and the financial condition and performance. Our board of directors focuses its oversight on the most significant risks facing us and, on our processes, to identify, prioritize, assess, manage and mitigate those risks. Our board of directors receives regular reports from members of our senior management on areas of material risk to us, including strategic, operational, financial, legal and regulatory risks. While our board of directors has an oversight role, management is principally tasked with direct responsibility for management and assessment of risks and the implementation of processes and controls to mitigate their effects on us.

Indemnification Agreements

We expect to enter into indemnification agreements with each of our executive officers and directors, and expect to enter into indemnification agreements with future executive officers and directors. Each indemnification agreement provides, among other things, that we will indemnify, to the maximum extent permitted by law, the covered officer or director against any and all judgments, penalties, fines and amounts paid in settlement, and all reasonable and out-of-pocket expenses (including attorneys' fees), actually and reasonably incurred in connection with any threatened, pending or completed action, suit, arbitration, alternative dispute resolution mechanism, investigation, inquiry, administrative hearing or other proceeding that arises out of the officer's or director's status as a present or former officer, director, employee or agent of the company. Each indemnification agreement also requires us, upon request of the covered officer or director, to advance the expenses related to such an action provided that the officer or director undertakes to repay any amounts to which he is subsequently determined not to be entitled. The indemnification agreement is not exclusive of any other rights to indemnification or advancement of expenses to which the covered officer or director may be entitled, including any rights arising under our charter or bylaws or applicable law.

Disclosure of Commission Position on Indemnification for Securities Act Liabilities.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

EXECUTIVE COMPENSATION

As of April 1, 2018, we commenced paying our President a salary of $100,000 per year. No compensation was paid to our President in cash, or otherwise, for services performed for the year ending December 31, 2017 or 2016, as we did not compensate our employees or consultants until April 1, 2018. Mr. Russell was engaged as our Chief Financial Officer on December 20, 2019 and prior to that time he was a financial consultant and was paid an hourly rate of between $150 to $175 per hour based on the amount of time spent on the Company. On December 20, 2019, we entered into an employment agreement with Mr. Russell pursuant to which his compensation structure changed as described below. During the 12 months ended December 31, 2018, we paid Mr. Russell consulting fees of $47,687. From January 1, 2019 to December 19, 2019, we paid Mr. Russell consulting fees of $107,145.

The table below summarizes all compensation awarded to, earned by, or paid to our named executive officer for all services rendered in all capacities to us for each of the years ended December 31, 2018 and 2019.

Summary Compensation Table

Name And Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
David Sobelman, President	2019	100,000	0	0	0	0	0	0	100,000
	2018	75,000	0	0	0	0	0	0	75,000
Richard Russell, Chief Financial Officer	2019	109,232(1)	0	0	0	0	0	0	109,232(1)

(1) Includes $107,145 in consulting fees from January 1, 2019 through December 19, 2019.

There are no other stock option plans, retirement, pension, or profit sharing plans for the benefit of our officers or directors other than as described herein.

Outstanding Equity Awards at Fiscal Year-End

None of our executive officers owned any equity awards as of December 31, 2019.

Equity-Based Incentive Compensation

An important element of our total executive compensation is our equity award program. We believe that our equity award program serves a number of important corporate objectives, most importantly the alignment of our executives' interests with our stockholders' interests. Our equity award program helps to ensure that each of our executives and directors have a significant portion of his net worth tied to the performance of our stock. We plan to grant additional restricted stock with time-based vesting under our long-term equity incentive program.

Our board has not yet adopted any employee incentive plan, but intends to do so in the future. If such a plan is adopted, this may be administered by the Board or the Compensation Committee of the Board. The Compensation Committee would have the power to modify, extend or renew outstanding options and to authorize the grant of new options in substitution therefore, provided that any such action may not impair any rights under any option previously granted. We may develop an incentive based stock plan or other equity based award plan for our officers and directors and other future employees, advisors and consultants.

Long-Term Incentive Plans and Awards

Our Board has not adopted a long-term incentive plan to provide compensation intended to serve as incentive or payment for performance. No individual grants or agreements regarding future payouts under non-stock price-based plans have been made or promised to our directors or officers or any employee or consultant since our inception; accordingly, no future payouts under non-stock price-based plans or agreements have been granted or entered into or exercised by our directors or officers or employees or consultants.

Options Grants during the Last Fiscal Year / Stock Option Plans

We do not currently have a stock option plan in favor of any director, officer, consultant or employee of our company. No individual grants of stock options, whether or not in tandem with stock appreciation rights known as SARs or freestanding SARs have been made to our employees or board members since our inception; accordingly, no stock options have been granted or exercised by our directors or officers since we were founded.

Aggregated Options Exercises in Last Fiscal Year

No individual grants of stock options, whether or not in tandem with stock appreciation rights known as SARs or freestanding SARs have been made to our directors or officers since our inception; accordingly, no stock options have been granted or exercised by our directors or officers since we were founded.

Compensation of Board of Advisors

Members of our board of advisors are not currently compensated by us for acting as such. However our advisors shall be reimbursed for reasonable out-of-pocket expenses incurred on our behalf. The Board may, in its discretion, grant restricted stock or options and other equity awards to members of the board of advisors from time to time.

Employment Contracts, Termination of Employment, Change-In-Control Arrangements

David Sobelman. Effective December 20, 2019, we entered into an employment agreement with David Sobelman to serve as our Chief Executive Officer, President and Secretary. The employment agreement is for a term of 5 years and shall automatically renew annually thereafter unless either party provides written notice of its intention not to extend the agreement at least ninety days prior to the then termination date. Pursuant to the employment agreement, Mr. Sobelman will have an initial annual base salary of $100,000 (subject to increase or decrease at the discretion of our Board), will be eligible to earn an annual bonus as determined by our Board and will be eligible to participate in any benefit programs in effect from time to time that are made available to similarly situated employees. In the event of a termination other than for "Cause", as defined below, Mr. Sobelman will be entitled to cash in the amount of his base salary and any bonus earned up to the date of termination. In addition, provided that he grants a release of claims to us, Mr. Sobelman would be entitled to cash in the amount of his salary payable in monthly installments through the earlier of (1) the end of the initial term of the employment agreement and (2) 36 months after the 30th day after he is terminated. In the event of a termination for "Cause", Mr. Sobelman will be entitled to cash in an amount equal to his base salary earned up to the date of termination. In the event of a termination due to death or disability, Mr. Sobelman will be entitled to cash in an amount equal to his six months of his base salary payable in monthly installments thereafter. During his employment with us and for twelve months thereafter, Mr. Sobelman agreed not to compete with us within the State of Florida or to solicit our employees or other related parties.

The employment agreement defines "Cause" as (1) the commission of a willful act of dishonesty in the course of performing duties, (2) conviction by a court of competent jurisdiction of, or plea of no contest to, a crime constituting a felony or conviction in respect of, or plea of no contest to, any act involving fraud, dishonesty or moral turpitude (3) the refusal to perform duties and responsibilities or to carry out the lawful directives of the Board, which, if capable of being cured shall not have been cured, within 30 days after we provide written notice of our intention to terminate his employment, or (4) material non-compliance with the terms of the employment agreement, our policies, or any other agreement between us, which, if capable of being cured, shall not have been cured within 30 days thereafter.

Richard Russell. Effective December 20, 2019, we entered into anat-will employment agreement with Richard Russell to serve as our Chief Financial Officer. Pursuant to the employment agreement, Mr. Russell will be paid $175 per hour, will be eligible to earn discretionary bonuses and will be eligible to participate in an equity incentive plan to be established by us in the future. On February 3, 2020, the Company granted Mr. Russell 25,000 shares of restricted stock vesting 1/3 annually subject to continued service pursuant to a restricted stock award agreement. The employment agreement further provides that Mr. Russell shall not work more than 20 hours in any week without the prior written consent of our Chief Executive Officer. During his employment with us and for twelve months thereafter, Mr. Russell agreed not to compete with us within the State of Florida or to solicit our employees or other related parties.

Indebtedness of Directors, Senior Officers, Executive Officers and Other Management

None of our directors or officers nor any of our associates or affiliates during the last two fiscal years is or has been indebted to us by way of guarantee, support agreement, letter of credit or other similar agreement or understanding currently outstanding.

Director Compensation

Our non-independent director does not receive cash compensation. He is reimbursed for reasonableout-of-pocket expenses incurred. There are no arrangements pursuant to which our non-independent director is or will be compensated in the future for any services provided as a director.

The Company granted 10,000 shares of restricted stock to each of Benjamin Adams and Patrick Quilty, vesting 1/3 annually subject to continued service with us, on July 15, 2019, pursuant to restricted stock award agreements. On February 3, 2020, the Company granted 10,000 shares of restricted stock to each of Betsy Peck and Stuart Eisenberg vesting 1/3 annually subject to continued service pursuant to restricted stock award agreements. We do not have any other agreements for compensating our directors for their services in their capacity as directors, although such current and future directors are expected in the future to receive restricted shares or stock options to purchase shares of our common stock as awarded by our Board. No compensation was awarded to, earned by, or paid to our directors for services rendered in all capacities to us for the period from January 1, 2017 to December 31, 2018. The following table summarizes all of the compensation earned by our directors for service as a director of our company during the year ended December 31, 2019:

Director Compensation Table for 2019

Name	Fees Earned or Paid in Cash	Stock Awards(1)	Total
Benjamin Adams	—	$ 7,717	$7,717
Patrick Quilty	—	$ 7,717	$7,717

(1) The amounts reported in this column represent the aggregate fair value of the stock awards, calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Stock Compensation. Relevant assumptions used to determine these amounts include a $5.00 per share valuation with a 0% forfeiture rate.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the beneficial ownership of common stock as of the date of this prospectus by each of our executive officers and directors, individually and as a group, and the present owners of 5% or more of our total outstanding shares. The table also reflects what the ownership will be assuming completion of the sale of all shares in this offering. To our knowledge, each person that beneficially owns our common stock has sole voting and disposition power with regard to such shares.

Unless otherwise indicated below, each person or entity has an address in care of our principal executive offices at 401 East Jackson Street, Suite 3300, Tampa, FL 33602. As of November 30, 2019, we had 2,100,960 shares of common stock were issued and outstanding and no preferred stock was issued or outstanding (excluding 20,000 shares of restricted common stock and warrants to purchase up to 200,000 shares of common stock).

	Prior to the Offering		After the Offering	
Name of Beneficial Owner	Number of Shares	Percent of Class	Number of Shares	Percent of Class
David Sobelman	900,000	42.8%	900,000	%
Benjamin Adams(1)	100	*	100	*
Patrick Quilty(1)	—	—	—	—
Richard Russell	60	*	60	*
Betsy Peck	—	—	—	—
Stuart Eisenberg	—	—	—	—
All Officers and Directors as a Group (6 persons)	900,160	42.8%	900,160	%
John Robert Sierra Sr. Revocable Family Trust	500,000(2)	21.7%	500,000(2)	%
Kitty Talk, Inc. (3)	200,000	9.5%	200,000	%

* Represents beneficial ownership of less than 1%.

(1) Excludes 10,000 shares of restricted common stock subject to annual vesting 1/3 per year over a term of three years.

(2) Includes 200,000 shares of common stock issuable pursuant to currently exercisable warrants at an exercise price of $5.00 per share until April 17, 2026. The business address of John Robert Sierra Sr. Revocable Family Trust is 509 Guisando de Avila, Suite 200, Tampa FL 33613. John Robert Sierra Sr. is the sole trustee of the trust and has sole voting and dispositive power over such shares.

(3) The business address of Kitty Talk, Inc. is 400 Beach Dr NE, Suite 2506, St Petersburg FL 33701. Steve Westphal has sole voting and dispositive power over such shares.

The Company intends to do whatever necessary to qualify as a REIT, and the Company and Mr. Sobelman have entered into an agreement whereby if the Company would otherwise fail the “closely held” test, and Mr. Sobelman owns greater than 9.8% of our common stock, we will automatically redeem such number of Mr. Sobelman’s shares for consideration of $.01 per share as will permit us to satisfy the “closely held” test.

Change in Control

We are not aware of any arrangement that might result in our change in control in the future.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We do not have a formal written policy for the review and approval of transactions with related parties. Our unwritten policy with regard to transactions with related persons is that all material transactions are to be reviewed by the entire Board for any possible conflicts of interest. The Board is responsible for review, approval, or ratification of “related-person transactions” involving the Company and related persons. Our independent Board members will review any future transactions or agreements with Mr. Sobelman, 3 Properties or any other related party of Mr. Sobelman or the Company.

With the exception of the transactions set forth below, the Company was not a party to any transaction in which a director, executive officer, holder of more than five percent of our common stock, or any member of the immediate family of any such person has or will have a direct or indirect material interest and no such transactions are currently proposed.

Mr. Sobelman has personally guaranteed two of the outstanding promissory notes that total $9.8 million. He also issued a limited guarantee for three other outstanding promissory notes that total $16.9 million. As a guarantor, Mr. Sobelman’s interests with respect to the debt he is guaranteeing (and the terms of any repayment or default) may not align with the Company’s interests and could result in a conflict of interest.

Our president faces conflicts of interest because he is our President and Chairman of the Board and owns and serves as the managing member of 3 Properties, a real estate investment brokerage firm. The sellers of properties acquired by the Company have paid 3 Properties $230,224, $124,616 and $0 during the nine months ended September 30, 2019 and years ended December 31, 2018 and 2017, respectively, in brokerage fees for the acquisition of four properties. The Company also engaged 3 Properties to be its asset manager and has paid it $8,705, $2,191 and $0 during the nine months ended September 30, 2019 and years ended December 31, 2018 and 2017, respectively. Mr. Sobelman, together with his spouse, owns 100% of the outstanding membership interests in 3 Properties and is the managing member of 3 Properties.

On May 19, 2015 we issued 1,000,000 shares of our common stock to Mr. Sobelman our President and Chairman at $0.01 per share for aggregate proceeds of $10,000. Mr. Sobelman currently owns 900,000 shares of our common stock.

As of the date of this prospectus, there have been no other transactions, or any currently proposed transactions in which we are, or plan to be, a participant and in which any related person had or will have a direct or indirect material interest.

INVESTMENT POLICIES AND POLICIES WITH RESPECT TO CERTAIN ACTIVITIES

The following is a discussion of our investment policies and our policies with respect to certain other activities, including financing matters and conflicts of interest. These policies may be amended or revised from time to time at the discretion of our Board, without a vote of our shareholders. Any change to any of these policies by our Board, however, would be made only after a thorough review and analysis of that change, in light of then-existing business and other circumstances, and then only if, in the exercise of its business judgment, our Board believes that it is advisable to do so in our and our shareholders' best interests. We cannot assure you that our investment objectives will be attained.

Investments in Real Estate or Interests in Real Estate

We invest principally in freestanding, single-tenant retail, office and industrial properties located primarily in major U.S. cities, with an emphasis on the major primary and coastal markets. At the completion of this offering, we will not have identified any specific retail, office or industrial properties to acquire, other than potentially acquiring the building in Manteo, North Carolina for $1.7 million described above, and we will not have committed the net proceeds of this offering to any specific property investment.

We conduct substantially all of our investment activities through our Operating Partnership and its subsidiaries. Our primary investment objectives are to enhance shareholder value over time by generating strong returns on invested capital, consistently paying attractive distributions to our shareholders and achieving long-term appreciation in the value of our retail, office and industrial properties.

There are no limitations on the amount or percentage of our total assets that may be invested in any one property or on the number or amount of mortgages that may be places on any single piece of property. Additionally, no limits have been set on the concentration of investments in any one location or facility type.

Investments in Mortgages, Structured Financings and Other Lending Policies

We have no current intention of investing in loans secured by properties or making loans to persons other than in connection with the acquisition of mortgage loans through which we expect to achieve equity ownership of the underlying property in the near-term.

Investments in Securities of or Interests in Persons Primarily Engaged in Real Estate Activities and Other Issuers

Generally speaking, we do not expect to engage in any significant investment activities with other entities, although we may consider joint venture investments with other investors. We may also invest in the securities of other issuers in connection with acquisitions of indirect interests in properties (normally general or limited partnership interests in special purpose partnerships owning properties). We may in the future acquire some, all or substantially all of the securities or assets of REITs or similar entities where that investment would be consistent with our investment policies and the REIT qualification requirements. There are no limitations on the amount or percentage of our total assets that may be invested in any one issuer, other than those imposed by the gross income and asset tests that we must satisfy to qualify as a REIT. However, we do not anticipate investing in other issuers of securities for the purpose of exercising control or acquiring any investments primarily

for sale in the ordinary course of business or holding any investments with a view to making short-term profits from their sale. In any event, we do not intend that our investments in securities will require us to register as an "investment company" under the Investment Company Act, and we intend to divest securities before any registration under the Investment Company Act would be required.

We do not intend to engage in trading, underwriting, agency distribution or sales of securities of other issuers.

Disposition Policy

Generally, we do not intend to engage in the purchase and sale, or turnover, of investments. Although we have no current plans to dispose of any of the commercial properties we acquire, we will consider doing so, subject to REIT qualification and prohibited transaction rules under the Code, if our management determines that a sale of a property would be in our interests based on the price being offered for the property, the operating performance of the property, the tax consequences of the sale and other factors and circumstances surrounding the proposed sale. See "Risk Factors — Risks Related to Our Business and Properties."

Of the six properties we have acquired since inception, we have not disposed of any properties.

Financing Policies

Our long-term goal is to maintain a lower-leverage capital structure and we intend to limit the sum of the outstanding principal amount of any consolidated indebtedness and the liquidation preference of any outstanding preferred shares once we have built a substantial portfolio of assets. To date, financing decisions have been made based on capital available to us and we expect to continue in such manner until we raise sufficient funds. Our Board will periodically review the sum of our outstanding principal amount of any consolidated indebtedness and the liquidation preference of any outstanding preferred shares and may modify or eliminate any of our restrictions without the approval of our shareholders.

In seeking to obtain credit facilities in the future we consider factors as we deem relevant, including interest rate pricing, recurring fees, flexibility of funding, security required, maturity, restrictions on prepayment and refinancing and restrictions impacting our daily operations. There can be no assurance that we will be able to obtain future credit facilities on favorable terms or at all.

Going forward, we will consider a number of factors when evaluating our level of indebtedness and making financial decisions, including, among others, the following:

- the interest rate of the proposed financing;
- the extent to which the financing impacts the flexibility with which we asset manage our properties;
- prepayment penalties and restrictions on refinancing;
- the purchase price of properties we acquire with debt financing;
- our long-term objectives with respect to the financing;
- our target investment returns;
- the ability of particular properties, and our company as a whole, to generate cash flow sufficient to cover expected debt service payments;
- overall level of consolidated indebtedness;
- timing of debt maturities;
- provisions that require recourse and cross-collateralization;
- corporate credit ratios, including debt service or fixed charge coverage, debt to EBITDA, debt to total market capitalization and debt to undepreciated assets; and
- the overall ratio of fixed- and variable-rate debt.

Equity Capital Policies

Subject to applicable law, our Board has the authority, without further shareholder approval, to issue additional common stock and preferred shares or otherwise raise capital, including through the issuance of senior securities, in any manner and on the terms and for the consideration it deems appropriate, including in exchange for property. Existing shareholders will have no preemptive right to additional shares issued in any offering, and any offering might dilute the ownership of our current investors. We may in the future issue common stock in connection with acquisitions. We also may issue common units in our Operating Partnership in exchange for acquiring property.

Our Board may authorize the issuance of preferred shares with terms and conditions that could have the effect of delaying, deterring or preventing a transaction or a change in control of our company that might involve a premium price for holders of our common stock or otherwise might be in their best interests. Additionally, preferred shares could have distribution, voting, liquidation and other rights and preferences that are senior to those of our common stock.

We may, under certain circumstances, purchase common or preferred shares in the open market or in private transactions with our shareholders, if those purchases are approved by our Board. Our Board has no present intention of causing us to repurchase any shares, and any action would only be taken in conformity with applicable federal and state laws and the applicable requirements for qualifying as a REIT if the Board elects to so qualify the company. We do not currently have a share purchase plan.

In the future, we may institute a dividend reinvestment plan ("DRIP"), which would allow our shareholders to acquire additional common stock by automatically reinvesting their cash dividends. Shareholders who do not participate in the plan will continue to receive cash distributions as declared.

Communications with Investors

We anticipate that we will provide stockholders with periodic updates on the performance of their investment with us including:

- an annual report to shareholders, including financial statements certified by independent public accountants in accordance with SEC rules;
- quarterly and current event reports as required by SEC rules; and
- an annual IRS Form 1099.

DESCRIPTION OF SHARES

The following summary of certain provisions of our capital stock does not purport to be complete and is subject to and is qualified in its entirety by our articles of incorporation and bylaws. This description is only a summary. For more detailed information, you should refer to the exhibits to the registration statement. See "Where You Can Find More Information."

General

Our articles of incorporation provide that we may issue up to 100,000,000 shares of common stock, $0.01 par value per share and 10,000,000 shares of preferred stock, $0.01 par value per share. Our articles of incorporation authorizes our Board to amend our articles of incorporation to increase or decrease the aggregate number of authorized shares or the number of shares of any class or series without shareholder approval. As of November 30, 2019, we had 2,100,960 shares of common stock issued and outstanding held by 134 shareholders of record and no preferred stock was issued or outstanding. In addition, we had 200,000 warrants outstanding to purchase up to 200,000 shares of our common stock at an exercise price of $5.00 per share. The warrants are currently exercisable at a price of $5.00 per share of common stock, subject to adjustment in certain circumstances, and will expire on April 17, 2026.

Under Maryland law, shareholders are not personally liable for the obligations of a company solely as a result of their status as shareholders.

Common Stock

All of the common stock offered in this offering will be duly authorized, fully paid and nonassessable. Subject to the preferential rights, if any, of holders of any other class or series of shares of stock and to the provisions of our articles of incorporation regarding the restrictions on ownership and transfer of shares of stock, holders of our common stock are entitled to receive distributions on such shares of stock out of assets legally available therefor if, as and when authorized by our Board and declared by us, and the holders of our common stock are entitled to share ratably in our assets legally available for distribution to our shareholders in the event of our liquidation, dissolution or winding up after payment of or adequate provision for all of our known debts and liabilities.

Subject to the provisions of our articles of incorporation regarding the restrictions on ownership and transfer of common stock and except as may otherwise be specified in the terms of any class or series of common stock, each outstanding common share entitles the holder to one vote on all matters submitted to a vote of shareholders, including the election of directors, and, except as provided with respect to any other class or series of shares of stock, the holders of such common stock will possess the exclusive voting power. There is no cumulative voting in the election of our directors, which means that the affirmative vote of shareholders entitled to cast a majority of the votes entitled to be cast in the election of directors can elect all of the directors then standing for election, and the remaining shareholders will not be able to elect any directors.

Holders of common stock have no preference, conversion, exchange, sinking fund, redemption or appraisal rights and have no preemptive rights to subscribe for any of our securities. Subject to the restrictions on ownership and transfer of shares contained in our articles of incorporation and the terms of any other class or series of common stock, all of our common stock will have equal dividend, liquidation and other rights.

No Appraisal Rights

As permitted by Maryland law, our charter provides that stockholders will not be entitled to exercise appraisal rights unless a majority of our board of directors determines that appraisal rights apply, with respect to all or any classes or series of stock, to one or more transactions occurring after the date of such determination.

Power to Reclassify Our Unissued Shares of Stock

Our articles of incorporation authorize our Board to classify and reclassify any unissued common or preferred shares into other classes or series of shares of stock. Prior to the issuance of shares of each class or series, our Board is required by Maryland law and by our articles of incorporation to set, subject to the provisions of our articles of incorporation regarding the restrictions on ownership and transfer of shares of stock, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series. Therefore, our board could authorize the issuance of common stock or preferred shares that have priority over our common stock as to voting rights, dividends or upon liquidation or with terms and conditions that could have the effect of delaying, deferring or preventing a change in control or other transaction that might involve a premium price for our common stock or otherwise be in the best interests of our shareholders. No preferred shares are presently outstanding, and we have no present plans to issue any preferred shares.

Power to Increase or Decrease Authorized Shares of Stock and Issue Additional Common Stock and Preferred Shares

We believe that the power of our Board to amend our articles of incorporation to increase or decrease the number of authorized shares of stock, to authorize us to issue additional authorized but unissued common stock or preferred shares and to classify or reclassify unissued common stock or preferred shares and thereafter to issue such classified or reclassified shares of stock will provide us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise. The additional classes or series, as well as the common stock, will be available for issuance without further action by our shareholders, unless such action is required by applicable law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded. Although our Board does not intend to do so, it could authorize us to issue a class or series that could, depending upon the terms of the particular class or series, delay, defer or prevent a change in control or other transaction that might involve a premium price for our common stock or otherwise be in the best interests of our shareholders.

Restrictions on Ownership and Transfer

For us to qualify as a REIT under the Code, our shares of stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months (other than the first year for which an election to be a REIT has been made) or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of our outstanding shares of stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made).

Our articles of incorporation, subject to certain exceptions, restricts the amount of our shares of stock that a person may beneficially or constructively own. Our articles of incorporation provides that, subject to certain exceptions, no person may beneficially or constructively own more than 9.8% in value or in number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our shares of stock.

Our articles of incorporation also prohibits any person from (i) beneficially owning shares of stock to the extent that such beneficial ownership would result in our being "closely held" within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of the taxable year but otherwise not applying until June 15 of the second year for which we will file tax returns to be taxed as a REIT), (ii) transferring our shares of stock to the extent that such transfer would result in our shares of stock being beneficially owned by less than 100 persons (determined under the principles of Section 856(a)(5) of the Code), (iii) beneficially or constructively owning our shares of stock to the extent such beneficial or constructive ownership would cause us to constructively own ten percent (10%) or more of the ownership interests in a tenant (other than a taxable REIT subsidiary "TRS") of our real property within the meaning of Section 856(d)(2)(B) of the Code to the extent the income derived by us from such tenant would cause us to fail to satisfy any of the gross income requirements of Section 856(c) of the Code or (iv) beneficially or constructively owning or transferring our shares of stock if such ownership or transfer would otherwise cause us to fail to qualify as a REIT under the Code. Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of our shares of stock that will or may violate any of the foregoing restrictions on transferability and ownership, or any person who would have owned our shares of stock that resulted in a transfer of shares to a charitable trust, is required to give written notice immediately to us, or in the case of a proposed or attempted transaction, to give at least 15 days' prior written notice, and provide us with such other information as we may request in order to determine the effect of such transfer on our status as a REIT. The foregoing restrictions on transferability and ownership will not apply if our Board determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT.

Our Board, in its sole discretion, may prospectively or retroactively exempt a person from the limits described in the paragraph above and may establish or increase an excepted holder percentage limit for such person. The person seeking an exemption must provide to our Board such representations, covenants and undertakings as our Board may deem appropriate in order to conclude that granting the exemption will not cause us to lose our status as a REIT. Our Board may not grant such an exemption to any person if such exemption would result in our failing to qualify as a REIT. Our Board may require a ruling from the IRS or an opinion of counsel, in either case in form and substance satisfactory to the Board, in its sole discretion, in order to determine or ensure our status as a REIT.

Our Board has waived these limits for Mr. Sobelman, who currently owns 900,000 shares of our common stock. Given that we do not know how many shares will be purchased pursuant to this offering, or whether there will be additional shares issued outside this offering before the date on which the "closely held" ownership test must be met, we do not know what percentage of our shares Mr. Sobelman will own or be treated as owning when the test is applied. Our Board does not intend to reduce our ownership limit below 9.8% to a percentage that will ensure that four persons owning shares at such limit plus Mr. Sobelman will not own or be treated as owning more than 50% of our shares. Instead, the Board's waiver to Mr. Sobelman is conditioned upon his agreement that if we would otherwise fail the closely held test, and Mr. Sobelman owns greater than 9.8% of our common stock, we will automatically redeem, as of the day before we are first required to satisfy the "closely held" ownership test, such number of Mr. Sobelman's shares for consideration of $0.01 per share as will permit us to satisfy the "closely held" test. Our Board has also waived the ownership limits for the John Robert Sierra Sr. Revocable Family Trust, who currently owns 300,000 shares of our common stock and currently exercisable warrants to purchase 200,000 shares of our common stock. There is no redemption agreement between us and the John Robert Sierra Sr. Revocable Family Trust.

Any attempted transfer of our shares of stock which, if effective, would violate any of the restrictions described above will result in the number of shares causing the violation (rounded up to the nearest whole share) to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries, except that any transfer that results in the violation of the restriction relating to our shares of stock being beneficially owned by fewer than 100 persons will be void from the time of such purported transfer and the proposed transferee will not acquire any rights in such shares.

These ownership limitations could delay, defer or prevent a transaction or a change in control that might involve a premium price for our common stock or otherwise be in the best interest of our shareholders.

SHARES ELIGIBLE FOR FUTURE SALE

Our shares are approved to be quoted on the OTCQB Venture Market under the symbol "GIPR". We have applied to list our common stock on the Nasdaq Capital Market under the symbol "GIPR". If the application is approved, trading of our common stock on the Nasdaq is expected to begin within days after the initial issuance of common stock. No assurance can be given that our application will be approved. If our application is not approved or we otherwise determine that we will not be able to secure the listing of our common stock on the Nasdaq, we will not complete this offering.

We cannot predict the effect, if any, that any subsequent sales of common stock after this offering, or the availability of shares for sale in the future will have on the market price of our common stock prevailing from time to time. At any time, sales of substantial amounts of our common stock in the public market, or the perception that such sales could occur, could adversely affect the prevailing market price of our common stock.

No assurance can be given as to the likelihood that an active trading market for our common stock will develop or be maintained, that any such market will be liquid, that purchasing shareholders will be able to sell the common stock when issued or at all or the prices that shareholders may obtain for any of the common stock when subsequently sold. No prediction can be made as to the effect, if any, that future issuances of common stock or the availability of common stock for future issuances will have on the market price of our common stock prevailing from time to time, issuances of substantial amounts of common stock, or the perception that such issuances could occur, may affect adversely the prevailing market price of our common stock. See "Risk Factors — Risks Related to This Offering."

The common stock sold in this offering will be freely tradable without restriction for stockholders who are not considered to be an affiliate of ours. As defined in Rule 144, an "affiliate" of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the issuer.

Rule 144

In general, Rule 144 provides that if (i) one year has elapsed since the date of acquisition of common stock from us or any of our affiliates and (ii) the holder is, and has not been, an affiliate of ours at any time during the three months preceding the proposed sale, such holder may sell such common stock in the public market under Rule 144(b)(1) without regard to the volume limitations, manner of sale provisions, public information requirements or notice requirements under such rule. In general, Rule 144 also provides that if (i) six months have elapsed since the date of acquisition of common stock from us or any of our affiliates, (ii) we have been a reporting company under the Exchange Act for at least 90 days and (iii) the holder is not, and has not been, an affiliate of ours at any time during the three months preceding the proposed sale, such holder may sell such common stock in the public market under Rule 144(b)(1) subject to satisfaction of Rule 144's public information requirements, but without regard to the volume limitations, manner of sale provisions or notice requirements under such rule.

In addition, under Rule 144, if (i) one year (or, subject to us being a reporting company under the Exchange Act for at least the preceding 90 days, six months) has elapsed since the date of acquisition of common stock from us or any of our affiliates and (ii) the holder is, or has been, an affiliate of ours at any time during the three months preceding the proposed sale, such holder may sell such common stock in the public market under Rule 144(b)(1) subject to satisfaction of Rule 144's volume limitations, manner of sale provisions, public information requirements and notice requirements.

Stock Transfer Agent

We have engaged VStock LLC as our transfer agent.

PRIOR PERFORMANCE SUMMARY

The information presented in this Prior Performance Summary represents the summary historical experience of real estate programs sponsored by our President and Chairman of the Board and affiliates ("our sponsor"), through September 30, 2019 with the Prior Performance Tables included in this prospectus as Exhibit 99.1 through September 30, 2019. The purpose of this prior performance information is to enable you to evaluate accurately our sponsor's experience with like programs. The following discussion is intended to summarize briefly the objectives and performance of the prior real estate programs and to disclose any material adverse business developments sustained by them.

Our President, Mr. Sobelman, has sponsored one program, GIP Fund 1, LLC ("GIP Fund 1") formed for the purpose of acquiring and operating commercial real estate properties, consisting of net lease properties in the United States. The program is a private program and has no public reporting requirements. We define such a program as a fund in which passive investors pool their money and rely on the efforts of our sponsor to manage the fund and to acquire real estate that was not identified at the time of the commencement of the fund's offering. Investors in our company should not assume that they will experience returns comparable to those experienced by investors in this prior real estate program.

GIP Fund 1, a private real estate fund, had certain investment objectives similar to ours, including the acquisition and operation of commercial properties; the provision of stable cash flow available for distribution to our investors; preservation and protection of capital; and the realization of capital appreciation in the event of an ultimate sale of any properties. GIP Fund 1 focused on acquiring single tenant properties essential to the business operations of the tenant; located in primary markets; leased to tenants with stable and/or improving credit quality; and subject to long-term leases with defined rental rate increases or with short-term leases with high-probability renewal and potential for increasing rent. GIP Fund 1 has not disposed of any properties through September 30, 2019. GIP Fund 1 engaged in a private offering in January 2013 to accredited investors only pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and raised approximately $940,000 through the issuance of member units. GIP Fund 1 closed its round of financing in December of 2013 to acquire one real estate property. Using a combination of debt and cash consisting of 97% of the offering proceeds, GIP Fund 1 acquired one existing property in Tampa, Florida for a purchase price of approximately $1.6 million. GIP Fund 1 is no longer active in acquiring more properties.

The asset in this program can be categorized as indicated in the chart below.

Tenant:	Sherwin-Williams
Location:	504-508 South Howard Avenue Tampa, Florida 33606
Square Footage:	3,500 square feet
Land Area:	1/5 acre
Asset Class:	Retail
No. of Stories:	Single-Story
Lease Type:	Net lease

The property is a 3,500 square foot, Class A single standing building, located in Tampa, Florida. The property is leased to and occupied in its entirety by Sherwin-Williams. The property serves as a retail location for Sherwin-Williams, pursuant to a long-term, net lease which expires on July 31, 2028. The Sherwin-Williams Company is a public company and the largest paint manufacturer in the United States. Sherwin-Williams makes a wide variety of paints, coatings, finishes, applicators, and varnishes for the architectural, industrial, marine, and automotive markets, selling its products under the brand names Dutch Boy, Pratt & Lambert, Sherwin-Williams, Red Devil, Krylon, Martin-Senour, Thompson's, and Miniwax. The products are sold at wholesale branches, home centers, independent retailers, mass merchandisers, and through a network of company-operated paint stores. Sherwin-Williams operates more than 3,000 stores in the United States, Canada, the Virgin Islands, and Puerto Rico. Distribution conducted through the company's global group extends its reach into South America, Jamaica, the United Kingdom, Europe, and China. The company employs approximately 39,000 people. The asset was refinanced in 2018 and the valuation used by the lender was $2,400,000. Upon the refinancing, the Fund returned 100% of the investors' principal ($940,000) as a distribution and the investors retain their interest in the Fund.

As applicable, the Prior Performance Tables set forth information as of the dates indicated regarding our sponsor in connection with: (1) compensation to sponsor (Table II); and (2) operating results of prior programs (Table III).

OUR OPERATING PARTNERSHIP AND THE PARTNERSHIP AGREEMENT

The following summary of the terms of the agreement of limited partnership of our Operating Partnership does not purport to be complete and is subject to and qualified in its entirety by reference to the Agreement of Limited Partnership of Generation Income Properties, L.P., a copy of which is filed as an exhibit to the registration statement of which this prospectus is a part. See "Where You Can Find More Information."

Management

We are the sole general partner of our Operating Partnership, which is organized as a Delaware limited partnership. We conduct substantially all of our operations and make substantially all of our investments through the Operating Partnership. Pursuant to the partnership agreement, we have full, exclusive and complete responsibility and discretion in the management and control of the Operating Partnership, including the ability to cause the Operating Partnership to enter into certain major transactions including acquisitions, dispositions, refinancing and selection of lessees, make distributions to partners, and to cause changes in the Operating Partnership's business activities. Pursuant to the partnership agreement, the limited partners in the Operating Partnership may not remove us as general partner, with or without cause.

Capital Contribution

We will contribute, directly, to our Operating Partnership substantially all of the net proceeds of this offering as a capital contribution in exchange for common units in our Operating Partnership. The partnership agreement provides that if the Operating Partnership requires additional funds at any time in excess of funds available to the Operating Partnership from borrowing or capital contributions, we may borrow such funds from a financial institution or other lender and lend such funds to the Operating Partnership on the same terms and conditions as are applicable to our borrowing of such funds. Under the partnership agreement, we are obligated to contribute the net proceeds of any future offering of shares as additional capital to the Operating Partnership. If we contribute additional capital to the Operating Partnership, we will receive additional common units in the Operating Partnership and our 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 limited partners will be decreased on a proportionate basis in the event of additional capital contributions by us. In addition, if we contribute additional capital to the Operating Partnership, we will revalue the property of the Operating Partnership to its fair market value (as determined by us) 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 partnership agreement if there were a taxable disposition of such property for its fair market value (as determined by us) on the date of the revaluation. The Operating Partnership may issue preferred units, in connection with acquisitions of property or otherwise, which could have priority over common units with respect to distributions from the Operating Partnership, including the common units we own.

Redemption Rights

Pursuant to the partnership agreement, any future limited partners, other than us, will receive redemption rights, which will enable them to cause the Operating Partnership to redeem their common units in exchange for cash or, at our option, common stock on a one-for-one basis. The cash redemption amount per unit is based on the market price of our common stock at the time of redemption. The number of common stock issuable upon redemption of common 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, common stock in excess of the share ownership limit in our articles of incorporation;
- result in our common stock being owned by fewer than 100 persons (determined without reference to any rules of attribution);
- result in our being “closely held” within the meaning of Section 856(h) of the Code;
- cause us to own, actually or constructively, 10% or more of the ownership interests in a tenant (other than a TRS) of ours, the Operating Partnership’s or a subsidiary partnership’s real property, within the meaning of Section 856(d)(2)(B) of the Code;
- cause us 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 for purposes of complying with the registration provisions of the Securities Act.

We may, in our sole and absolute discretion, waive any of these restrictions.

On September 30, 2019, as part of two acquisitions, we issued common units in our Operating Partnership in exchange for acquiring two properties in Norfolk, Virginia. Following these transactions, as of December 18, 2019, we own 59.306% of the common units in the Operating Partnership and outside investors own 40.694%. Beginning on September 30, 2020, each limited partner will have the option to require the Operating Partnership to redeem all or a portion of its common units for either (i) the Redemption Amount (as defined in the Operating Partnership’s Partnership Agreement), or (ii) until November 1, 2023, cash in an agreed-upon Value (as defined in the Operating Partnership’s Partnership Agreement) of $5.00 per common unit. The Redemption Amount will vary depending on the closing price of our shares, but if the limited partners elect option (ii), they would receive the approximate value the limited partner was deemed to have contributed to the Operating Partnership.

In the future we may issue additional common units in our Operating Partnership in exchange for acquiring net lease properties or we may issue LTIP units in connection with an equity incentive plan.

The partnership agreement requires that the Operating Partnership be operated in a manner that enables us to satisfy the requirements for being classified as a REIT, to 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) and to ensure that the partnership will not be classified as a "publicly traded partnership" taxable as a corporation under Section 7704 of the Code.

Distributions

The partnership agreement provides that the Operating Partnership will distribute cash from operations (including net sale or refinancing proceeds, but excluding net proceeds from the sale of the Operating Partnership's property in connection with the liquidation of the Operating Partnership) at such time and in such amounts as determined by us in our sole discretion, to us and the limited partners in accordance with their respective percentage interests in the Operating Partnership.

Upon liquidation of the Operating Partnership, after payment of, or adequate provision for, debts and obligations of the partnership, including any partner loans, any remaining assets of the partnership will be distributed to us and the limited partners with positive capital accounts in accordance with their respective positive capital account balances.

Amendments

In general, we may amend the partnership agreement without the consent of the limited partners. However, any amendment to the partnership agreement that would adversely affect the redemption rights or certain other rights of the limited partners requires the consent of limited partners holding a majority in interest of the common units in our partnership.

MATERIAL FEDERAL INCOME TAX CONSIDERATIONS

This section summarizes the material federal income tax considerations that you, as a shareholder, may consider relevant in connection with the acquisition, ownership and disposition of our common stock and our expected election to be taxed as a REIT. Because this section is a summary, it does not address all aspects of taxation that may be relevant to particular shareholders in light of their personal investment or tax circumstances, or to certain types of shareholders that are subject to special treatment under the federal income tax laws, such as:

- insurance companies;
- tax-exempt organizations (except to the limited extent discussed in "— Taxation ofTax-Exempt Shareholders" below);
- financial institutions or broker-dealers;
- non-U.S. individuals, corporations, estates and trusts (except to the limited extent discussed in "— Taxation ofNon-U.S. Shareholders" below);
- U.S. expatriates;
- persons who mark-to-market our common stock;
- subchapter S corporations;
- U.S. shareholders (as defined below) whose functional currency is not the U.S. dollar;
- regulated investment companies;
- trusts and estates;

- holders who receive our common stock through the exercise of employee stock options or otherwise as compensation;
- persons holding our common stock as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment;
- persons subject to the alternative minimum tax provisions of the Code;
- persons holding our common stock through a partnership or similar pass-through entity or on behalf of other persons as nominees; and
- persons holding a 10% or more (by vote or value) beneficial interest in our shares of stock.

This summary assumes that shareholders hold shares as capital assets for federal income tax purposes, which generally means property held for investment.

The statements in this section are based on the current federal income tax laws, all of which are subject to differing interpretations or to change, possibly with retroactive effect. This discussion is for general information purposes only and is not tax advice. We cannot assure you that new laws, interpretations of law, or court decisions, any of which may take effect retroactively, will not cause any statement in this section to be inaccurate.

WE URGE YOU TO CONSULT YOUR OWN TAX ADVISOR REGARDING THE SPECIFIC TAX CONSEQUENCES TO YOU OF THE PURCHASE, OWNERSHIP AND SALE OF OUR COMMON STOCK AND OF OUR ELECTION TO BE TAXED AS A REIT. SPECIFICALLY, YOU ARE URGED TO CONSULT YOUR OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, FOREIGN, AND OTHER TAX CONSEQUENCES OF SUCH PURCHASE, OWNERSHIP, SALE AND ELECTION, AND REGARDING POTENTIAL CHANGES IN APPLICABLE TAX LAWS.

Taxation of Our Company

We have not qualified as a REIT to date and will not be able to satisfy the requirements of operating as a REIT until after this offering closes. We intend to elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2020. Our qualification as a REIT will depend upon our ability to meet, on a continuing basis, various complex requirements under the Code relating to, among other things, the sources of our gross income, the composition and values of our assets, our distribution levels and the diversity of ownership of our stock. We believe that we will be organized and will operate in such a manner as to qualify for taxation as a REIT under the Code, and we intend to continue to operate in such a manner. However, no assurance can be given that our actual results of operations for any particular taxable year will satisfy such requirements. For a discussion of the tax consequences of our failure to qualify as a REIT, see "— Failure to Qualify."

The sections of the Code and Treasury Regulations relating to qualification, operation and taxation as a REIT are highly technical and complex. The following discussion sets forth on the material aspects of those sections. This summary is qualified in its entirety by the applicable Code provisions and the related Treasury Regulations and administrative and judicial interpretations thereof.

If we qualify as a REIT, we generally will not be subject to federal income tax on the taxable income that we distribute to our shareholders. The benefit of that tax treatment is that it avoids the "double taxation," or taxation at both the corporate and shareholder levels, that generally results from owning stock in a corporation. However, we will be subject to federal tax in the following circumstances:

- We will pay federal income tax on any taxable income, including undistributed net capital gain that we do not distribute to shareholders during, or within a specified time period after, the calendar year in which the income is earned.
- We will pay income tax at the highest corporate rate on:
  - net income from the sale or other disposition of property acquired through foreclosure ("foreclosure property") that we hold primarily for sale to customers in the ordinary course of business, and
  - other non-qualifying income from foreclosure property.

- We will pay a 100% tax on net income from sales or other dispositions of property, other than foreclosure property, that we hold primarily for sale to customers in the ordinary course of business.
- If we fail to satisfy one or both of the 75% gross income test or the 95% gross income test, as described below under "— Gross Income Tests," and nonetheless continue to qualify as a REIT because we meet other requirements, we will pay a 100% tax on:
  - the gross income attributable to the greater of the amount by which we fail the 75% gross income test or the 95% gross income test, in either case, multiplied by
  - a fraction intended to reflect our profitability.
- If we fail to distribute during a calendar year at least the sum of (1) 85% of our REIT ordinary income for the year, (2) 95% of our REIT capital gain net income for the year, and (3) any undistributed taxable income required to be distributed from earlier periods, we will pay a 4% nondeductible excise tax on the excess of the required distribution over the amount we actually distributed.
- We may elect to retain and pay income tax on our net long-term capital gain. In that case, a U.S. shareholder would be taxed on its proportionate share of our undistributed long-term capital gain (to the extent that we made a timely designation of such gain to the shareholders) and would receive a credit or refund for its proportionate share of the tax we paid.
- We will be subject to a 100% excise tax on transactions with a TRS that are not conducted on an arm's-length basis.
- In the event of a failure of any of the asset tests, other than a de minimis failure of the 5% asset test or the 10% vote or value test, as described below under "— Asset Tests," as long as the failure was due to reasonable cause and not to willful neglect, we file a description of each asset that caused such failure with the IRS, and we dispose of the assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identify such failure, we will pay a tax equal to the greater of $50,000 or the highest federal income tax rate then applicable to U.S. corporations (currently 21%) on the net income from the nonqualifying assets during the period in which we failed to satisfy the asset tests.
- In the event we fail to satisfy one or more requirements for REIT qualification, other than the gross income tests and the asset tests, and such failure is due to reasonable cause and not to willful neglect, we will be required to pay a penalty of $50,000 for each such failure.
- If we acquire any asset from a C corporation, or a corporation that generally is subject to full corporate-level tax, in a merger or other transaction in which we acquire a basis in the asset that is determined by reference either to the C corporation's basis in the asset or to another asset, we will pay tax at the highest regular corporate rate applicable if we recognize gain on the sale or disposition of the asset during the 5-year period after we acquire the asset provided no election is made for the transaction to be taxable on a current basis. The amount of gain on which we will pay tax is the lesser of:
  - the amount of gain that we recognize at the time of the sale or disposition, and
  - the amount of gain that we would have recognized if we had sold the asset at the time we acquired it.
- We may be required to pay monetary penalties to the IRS in certain circumstances, including if we fail to meet record-keeping requirements intended to monitor our compliance with rules relating to the composition of a REIT's shareholders, as described below in "— Recordkeeping Requirements."
- The earnings of our lower-tier entities that are subchapter C corporations, including TRSs, will be subject to federal corporate income tax.

In addition, notwithstanding our status as a REIT, we may also have to pay certain state and local income taxes, because not all states and localities treat REITs in the same manner that they are treated for federal income tax purposes. Moreover, as further described below, TRSs will be subject to federal, state and local corporate income tax on their taxable income.

Requirements for Qualification

A REIT is a corporation, trust, or association that meets each of the following requirements:

1. It is managed by one or more directors or trustees.
2. Its beneficial ownership is evidenced by transferable shares, or by transferable certificates of beneficial interest.
3. It would be taxable as a domestic corporation, but for the REIT provisions of the federal income tax laws.
4. It is neither a financial institution nor an insurance company subject to special provisions of the federal income tax laws.
5. At least 100 persons are beneficial owners of its shares or ownership certificates.
6. Not more than 50% in value of its outstanding shares or ownership certificates is owned, directly or indirectly, by five or fewer individuals, which the Code defines to include certain entities, during the last half of the taxable year.
7. It elects to be a REIT, or has made such election for a previous taxable year, and satisfies all relevant filing and other administrative requirements established by the IRS that must be met to elect and maintain REIT status.
8. It meets certain other qualification tests, described below, regarding the nature of its income and assets and the amount of its distributions to shareholders.
9. It uses a calendar year for federal income tax purposes and complies with the recordkeeping requirements of the federal income tax laws.

We must meet requirements 1 through 4, 7, and 8 during our entire taxable year and must meet requirement 5 during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months. If we make our REIT election for our taxable year ending December 31, 2020 or such later year as is determined by our Board, requirements 5 and 6 will apply to us beginning with our 2021 taxable year (or, if the REIT election is made for a year after 2020, beginning with the succeeding taxable year). If we comply with all the requirements for ascertaining the ownership of our outstanding shares in a taxable year and have no reason to know that we violated requirement 6, we will be deemed to have satisfied requirement 6 for that taxable year. For purposes of determining share ownership under requirement 6, an "individual" generally includes a supplemental unemployment compensation benefits plan, a private foundation, or a portion of a trust permanently set aside or used exclusively for charitable purposes. An "individual," however, generally does not include a trust that is a qualified employee pension or profit sharing trust under the federal income tax laws, and beneficiaries of such a trust will be treated as holding our shares in proportion to their actuarial interests in the trust for purposes of requirement 6.

Our articles of incorporation provides restrictions regarding the transfer and ownership of our shares of stock. See "Description of Shares of Stock — Restrictions on Ownership and Transfer." We believe that we will issue sufficient shares of stock with sufficient diversity of ownership as a result of this offering to allow us to satisfy requirements 5 and 6 above. The restrictions in our articles of incorporation are intended, among other things, to assist us in satisfying requirements 5 and 6 above. These restrictions, however, may not ensure that we will be able to satisfy such share ownership requirements in all cases. If we fail to satisfy these share ownership requirements, our qualification as a REIT may terminate.

Our Board has waived these limits for Mr. Sobelman who currently owns 900,000 shares of our common stock. The Board's waiver to Mr. Sobelman is conditioned upon his agreement that if we would otherwise fail the "closely held" test, we will automatically redeem such number of Mr. Sobelman's shares for consideration of $.01 per share as will permit us to satisfy the "closely held" test. If we fail to monitor our share ownership or to implement the redemption provision in the waiver to Mr. Sobelman, or the IRS does not respect the effective date of any redemptions, we may fail to qualify as a REIT.

To monitor compliance with the share ownership requirements, we generally will be required to maintain records regarding the actual ownership of our shares. To do so, we must demand written statements each year from the record holders of significant percentages of our shares pursuant to which the record holders must disclose the actual owners of the shares (i.e., the persons required to include our dividends in their gross income). We must maintain a list of those persons failing or refusing to comply with this demand as part of our records. We could be subject to monetary penalties if we fail to comply with these record-keeping requirements. If you fail or refuse to comply with the demands, you will be required by Treasury Regulations to submit a statement with your tax return disclosing your actual ownership of our shares and other information. In addition, we must satisfy all relevant filing and other administrative requirements that must be met to elect and maintain REIT status. We intend to comply with these requirements.

For purposes of requirement 9, we have adopted December 31 as our year end for U.S. federal income tax purposes and thereby satisfy this requirement.

Subsidiary Entities

Qualified REIT Subsidiaries. A corporation that is a "qualified REIT subsidiary" is not treated as a corporation separate from its parent REIT. All assets, liabilities, and items of income, deduction, and credit of a "qualified REIT subsidiary" are treated as assets, liabilities, and items of income, deduction, and credit of the REIT. A "qualified REIT subsidiary" is a corporation, other than a TRS, all of the stock of which is owned by the REIT. Thus, in applying the requirements described herein, any "qualified REIT subsidiary" that we own will be ignored, and all assets, liabilities, and items of income, deduction, and credit of such subsidiary will be treated as our assets, liabilities, and items of income, deduction, and credit.

Other Disregarded Entities and Partnerships. An unincorporated domestic entity, such as a partnership or limited liability company that has a single owner, generally is not treated as an entity separate from its parent for federal income tax purposes. An unincorporated domestic entity with two or more owners is generally treated as a partnership for federal income tax purposes. In the case of a REIT that is a partner in a partnership that has other partners, the REIT is treated as owning its proportionate share of the assets of the partnership and as earning its allocable share of the gross income of the partnership for purposes of the applicable REIT qualification tests. Our proportionate share for purposes of the 10% value test (see "— Asset Tests") will be based on our proportionate interest in the equity interests and certain debt securities issued by the partnership. For all of the other asset and income tests, our proportionate share will be based on our proportionate interest in the capital interests in the partnership. Our proportionate share of the assets, liabilities, and items of income of any partnership, joint venture, or limited liability company that is treated as a partnership for federal income tax purposes in which we acquire an equity interest, directly or indirectly, will be treated as our assets and gross income for purposes of applying the various REIT qualification requirements. In the event that a disregarded subsidiary of ours ceases to be wholly-owned – for example, if any equity interest in the subsidiary is acquired by a person other than us or another disregarded subsidiary of ours – the subsidiary's separate existence would no longer be disregarded for U.S. federal income tax purposes. Instead, the subsidiary would have multiple owners and would be treated as either a partnership or a taxable corporation. Such an event could, depending on the circumstances, adversely affect our ability to satisfy the various asset and gross income requirements applicable REITs, including the requirement that REITs generally may not own, directly or indirectly, more than 10% of the total value or total voting power of the outstanding securities of another corporation. See "—Gross Income Tests" and "—Asset Tests."

Taxable REIT Subsidiaries. A REIT, in general, may jointly elect with a subsidiary corporation, whether or not wholly owned, to treat the subsidiary corporation as a TRS. The separate existence of a TRS or other taxable corporation, unlike a disregarded subsidiary as discussed above, is not ignored for U.S. federal income tax purposes. Accordingly, such an entity would generally be subject to U.S. federal income tax on its taxable income, which may reduce the cash flow generated by us and our subsidiaries in the aggregate and our ability to make distributions to our stockholders. A REIT is not treated as holding the assets of a TRS or other taxable subsidiary corporation or as receiving any income that the subsidiary earns. Rather, the stock issued by the subsidiary is an asset in the hands of the REIT, and the REIT generally recognizes dividend income when it receives distributions of earnings from the subsidiary. This treatment can affect the gross income and asset test calculations that apply to the REIT, as described below. Because a parent REIT does not include the assets and income of its TRSs in determining the parent REIT's compliance with the REIT requirements, such entities may be used by the parent REIT to undertake indirectly activities that the REIT rules might otherwise preclude the parent REIT from doing directly or through pass-through subsidiaries. If dividends are paid to us by one or more domestic TRSs we may own, a portion of the dividends that we distribute to stockholders who are taxed at individual rates generally will be eligible for taxation at preferential qualified dividend income tax rates rather than at ordinary income tax rates. See "—Taxation of Taxable U.S. Stockholders" and "—Annual Distribution Requirements."

Gross Income Tests

We must satisfy two gross income tests annually to maintain our qualification as a REIT. First, at least 75% of our gross income for each taxable year must consist of defined types of income that we derive, directly or indirectly, from investments relating to real property or mortgages on real property or qualified temporary investment income. Qualifying income for purposes of that 75% gross income test generally includes:

- rents from real property;
- interest on debt secured by mortgages on real property, or on interests in real property;
- dividends on, and gain from the sale of, shares in other REITs;
- gain from the sale of real estate assets (other than certain debt instruments of publicly offered REITs); and
- income derived from the temporary investment of new capital that is attributable to the issuance of our shares of stock other than shares issued pursuant to our distribution reinvestment plan or a public offering of our debt with a maturity date of at least five years and that we receive during the one-year period beginning on the date on which we received such new capital.

Interest and gain on debt instruments issued by publicly offered REITs that are not secured by mortgages on real property or interests in real property are not qualifying income for purposes of the 75% income test.

Second, in general, at least 95% of our gross income for each taxable year must consist of income that is qualifying income for purposes of the 75% gross income test, other types of interest and dividends, gain from the sale or disposition of shares or securities, or any combination of these. Gross income from our sale of property that we hold primarily for sale to customers in the ordinary course of business is excluded from both the numerator and the denominator in both gross income tests. In addition, income and gain from "hedging transactions" that we enter into to hedge indebtedness incurred or to be incurred to acquire or carry real estate assets and that are clearly and timely identified as such will be excluded from both the numerator and the denominator for purposes of the 75% and 95% gross income tests. In addition, certain foreign currency gains will be excluded from gross income for purposes of one or both of the gross income tests. See "— Foreign Currency Gain" below. The following paragraphs discuss the specific application of the gross income tests to us.

Rents from Real Property

Rent that we receive from our real property will qualify as "rents from real property," which is qualifying income for purposes of the 75% and 95% gross income tests, only if the following conditions are met:

- The rent must not be based, in whole or in part, on the income or profits of any person, but may be based on a fixed percentage or percentages of gross receipts or sales.
- Neither we nor a direct or indirect owner of 10% or more of our stock may own, actually or constructively, 10% or more of a tenant from whom we receive rent, other than a TRS. Under an exception to such related-party tenant rule, rent that we receive from a TRS will qualify as "rents from real property" as long as (i) at least 90% of the leased space in the property is leased to persons other than TRSs and related-party tenants, and (ii) the amount paid by the TRS to rent space at the property is substantially comparable to rents paid by other tenants of the property for comparable space.
- If the rent attributable to personal property leased in connection with a lease of real property is 15% or less of the total rent received under the lease, then the rent attributable to personal property will qualify as rents from real property. However, if the 15% threshold is exceeded, the rent attributable to personal property will not qualify as rents from real property.
- We generally must not operate or manage our real property or furnish or render services to our tenants, other than through an "independent contractor" that is adequately compensated and from which we do not derive revenue. However, we need not provide services through an independent contractor, but instead may provide services directly to our tenants, if the services are "usually or customarily rendered" in connection with the rental of space for occupancy only and are not considered to be provided for the tenants' convenience. In addition, we may provide a minimal amount of "noncustomary" services to the tenants of a property, other than through an independent

contractor, as long as our income from the services (valued at not less than 150% of our direct cost of performing such services) does not exceed 1% of our income from the related property. Furthermore, we may own up to 100% of the stock of a TRS which may provide customary and noncustomary services to our tenants without tainting our rental income for the related properties.

Unless we determine that the resulting nonqualifying income under any of the following situations, taken together with all other nonqualifying income earned by us in the taxable year, will not jeopardize our qualification as a REIT, we do not intend to:

- charge rent for any property that is based in whole or in part on the income or profits of any person, except by reason of being based on a fixed percentage or percentages of receipts or sales, as described above;
- rent any property to a related party tenant, including a TRS, unless the rent from the lease to the TRS would qualify for the special exception from the related party tenant rule applicable to certain leases with a TRS;
- derive rental income attributable to personal property other than personal property leased in connection with the lease of real property, the amount of which is less than 15% of the total rent received under the lease; or
- directly perform services considered to be noncustomary or rendered to the occupant of the property.

In order for the rent paid under our leases to constitute "rents from real property," the leases must be respected as true leases for federal income tax purposes and not treated as service contracts, joint ventures or some other type of arrangement. The determination of whether our leases are true leases depends on an analysis of all the surrounding facts and circumstances. In making such a determination, courts have considered a variety of factors, including the following:

- the intent of the parties;
- the form of the agreement; and
- the degree of control over the property that is retained by the property owner (for example, whether the lessee has substantial control over the operation of the property or whether the lessee was required simply to use its best efforts to perform its obligations under the agreement); and the extent to which the property owner retains the risk of loss with respect to the property (for example, whether the lessee bears the risk of increases in operating expenses or the risk of damage to the property) or the potential for economic gain with respect to the property.

We currently intend to structure any leases we enter into so that they will qualify as true leases for federal income tax purposes. Our belief is based, in part, on the following facts:

- we and the lessee intend for our relationship to be that of a lessor and lessee, and such relationship is documented by a lease agreement;
- the lessee will have the right to exclusive possession and use and quiet enjoyment of the property covered by the lease during the term of the lease;
- the lessee will bear the cost of, and will be responsible for,day-to-day maintenance and repair of the property other than the cost of certain capital expenditures, and dictate, either directly or through third-party operators that are eligible independent contractors who work for the lessee during the terms of the leases, how the property will be operated and maintained;
- the lessee generally will bear the costs and expenses of operating the property, including the cost of any inventory used in their operation, during the term of the lease;
- the lessee will benefit from any savings and bear the burdens of any increases in the costs of operating the property during the term of the lease;
- in the event of damage or destruction to a property, the lessee will be at economic risk because it will bear the economic burden of the loss in income from operation of the property subject to the right, in certain circumstances, to terminate the lease if the lessor does not restore the property to its prior condition;

- the lessee generally will indemnify the lessor against all liabilities imposed on the lessor during the term of the lease by reason of: (i) injury to persons or damage to property occurring at the property; (ii) the lessee's use, management, maintenance or repair of the property; (iii) taxes and assessments in respect of the property that are obligations of the lessees; (iv) any breach of the leases by the lessees, and (v) the nonperformance of contractual obligations of the lessees with respect to the property;
- the lessee will be obligated to pay, at a minimum, material base rent for the period of use of the property under the lease;
- the lessee will stand to incur substantial losses or reap substantial gains depending on how successfully it, either directly or through the eligible independent contractors, operates the property;
- we expect that each lease that we enter into, at the time we enter into it (or at any time that any such lease is subsequently renewed or extended) will enable the applicable lessee to derive a meaningful profit, after expenses and taking into account the risks associated with the lease, from the operation of the property during the term of its lease; and
- upon termination of each lease, the applicable property will be expected to have a substantial remaining useful life and substantial remaining fair market value.

If our leases are characterized as service contracts or partnership agreements, rather than as true leases, part or all of the payments that we and our subsidiaries receive from our percentage and other leases may not be considered rent or may not otherwise satisfy the various requirements for qualification as "rents from real property." In that case, we likely would not be able to satisfy either the 75% or 95% gross income test and, as a result, would lose our REIT status.

We expect to enter into sale-leaseback transactions. It is possible that the IRS could take the position that specific sale-leaseback transactions that we treat as true leases are financing arrangements or loans rather than true leases for federal income tax purposes. Recharacterization of a sale-leaseback transaction as a financing arrangement or loan could jeopardize our REIT status.

Interest

Interest income constitutes qualifying mortgage interest for purposes of the 75% gross income test to the extent that the obligation is secured by a mortgage on real property. If we receive interest income with respect to a mortgage loan that is secured by both real property and other property and the highest outstanding balance of the loan during a taxable year exceeds the fair market value of the real property on the date of our commitment to make or purchase the mortgage loan, the interest income will be apportioned between the real property and the other property, and our income from the arrangement will qualify for purposes of the 75% gross income test only to the extent that the interest is allocable to the real property. The failure of a loan to qualify as an obligation secured by a mortgage on real property within the meaning of the REIT rules could adversely affect our ability to qualify as a REIT. The term "interest" generally does not include any amount received or accrued, directly or indirectly, if the determination of such amount depends in whole or in part on the income or profits of any person. However, interest generally includes the following:

- an amount that is based on a fixed percentage or percentages of receipts or sales; and
- an amount that is based on the income or profits of a debtor, as long as the debtor derives substantially all of its income from the real property securing the debt from leasing substantially all of its interest in the property, and only to the extent that the amounts received by the debtor would be qualifying "rents from real property" if received directly by a REIT.

If a loan contains a provision that entitles a REIT to a percentage of the borrower's gain upon the sale of the real property securing the loan or a percentage of the appreciation in the property's value as of a specific date, income attributable to that loan provision will be treated as gain from the sale of the property securing the loan, which generally is qualifying income for purposes of both gross income tests.

We may, on a select basis, purchase mortgage loans. Interest on debt secured by a mortgage on real property or on interests in real property, including, for this purpose, discount points, prepayment penalties, loan assumption fees, and late payment charges that are not compensation for services, generally is qualifying income for purposes of the 75% gross income test. However, if a loan is secured by real property and other property and the highest principal amount of a loan outstanding

during a taxable year exceeds the fair market value of the real property securing the loan as of the date the REIT agreed to acquire the loan, a portion of the interest income from such loan that is not allocable to real property will not be qualifying income for purposes of the 75% gross income test, but will be qualifying income for purposes of the 95% gross income test.

We may also, on a select basis, purchase mezzanine loans, which are loans secured by equity interests in a pass-through entity that directly or indirectly owns real property, rather than by a direct mortgage of the real property. IRS Revenue Procedure 2003-65 provides a safe harbor pursuant to which a mezzanine loan, if it meets each of the requirements contained in the Revenue Procedure, will be treated by the IRS as a real estate asset for purposes of the REIT asset tests described below, and interest derived from it will be treated as qualifying mortgage interest for purposes of the 75% gross income test. Although the Revenue Procedure provides a safe harbor on which taxpayers may rely, it does not prescribe rules of substantive tax law. Moreover, we anticipate that the mezzanine loans we may acquire typically will not meet all of the requirements for reliance on this safe harbor. If we invest in mezzanine loans, we intend to invest in a manner that will enable us to continue to satisfy the gross income and asset tests.

Dividends Received

Our share of any dividends received from any corporation (including any TRS, but excluding any REIT) in which we own an equity interest will qualify for purposes of the 95% gross income test but not for purposes of the 75% gross income test. Our share of any dividends received from any REIT in which we own an equity interest, if any, will be qualifying income for purposes of both gross income tests.

Prohibited Transactions

A REIT will incur a 100% tax on the net income (including foreign currency gain) derived from any sale or other disposition of property, other than foreclosure property, that the REIT holds primarily for sale to customers in the ordinary course of a trade or business. We believe that none of our assets will be held primarily for sale to customers and that a sale of any of our assets will not be in the ordinary course of our business. Whether a REIT holds an asset "primarily for sale to customers in the ordinary course of a trade or business" depends, however, on the facts and circumstances in effect from time to time, including those related to a particular asset. A safe harbor to the characterization of the sale of property by a REIT as a prohibited transaction and the 100% prohibited transaction tax is available if the following requirements are met:

- the REIT has held the property for not less than two years;
- the aggregate expenditures made by the REIT, or any partner of the REIT, during thetwo-year period preceding the date of the sale that are includable in the basis of the property do not exceed 30% of the selling price of the property;
- either (1) during the year in question, the REIT did not make more than seven sales of property other than foreclosure property or sales to which Section 1033 of the Code applies, (2) the aggregate adjusted bases of all such properties sold by the REIT during the year did not exceed 10% of the aggregate bases of all of the assets of the REIT at the beginning of the year, (3) the aggregate fair market value of all such properties sold by the REIT during the year did not exceed 10% of the aggregate fair market value of all of the assets of the REIT at the beginning of the year or (4) the REIT satisfies the test in preceding clause (3) by substituting 20% for 10% and either the 3-year average adjusted bases percentage for the taxable year or the 3-year average fair market value percentage for the taxable year does not exceed 10%
- in the case of property not acquired through foreclosure or lease termination, the REIT has held the property for at least two years for the production of rental income; and
- if the REIT has made more than seven sales ofnon-foreclosure property during the taxable year, substantially all of the marketing and development expenditures with respect to the property were made through an independent contractor from whom the REIT derives no income.

We generally will attempt to comply with the terms of safe-harbor provision in the federal income tax laws prescribing when an asset sale will not be characterized as a prohibited transaction. We cannot assure you, however, that we can comply with the safe-harbor provision or that we will avoid owning property that may be characterized as property that we hold "primarily for sale to customers in the ordinary course of a trade or business." The 100% tax will not apply to gains from the sale of property that is held through a TRS or other taxable corporation, although such income will be taxed to the corporation at regular corporate income tax rates.

Foreclosure Property

Foreclosure property is real property (including interests in real property) and any personal property incident to such real property: (i) that is acquired by a REIT as the result of the REIT having bid in the property at foreclosure, or having otherwise reduced the property to ownership or possession by agreement or process of law, after there was a default (or default was imminent) on a lease of the property or on a mortgage loan held by the REIT and secured by the property; (ii) for which the related loan or lease was acquired by the REIT at a time when default was not imminent or anticipated; and (iii) for which such REIT makes a proper election to treat the property as foreclosure property. REITs generally are subject to tax at the maximum corporate rate (currently 21%) on any net income from foreclosure property, including any gain from the disposition of the foreclosure property, other than income that would otherwise be qualifying income for purposes of the 75% gross income test. Any gain from the sale of property for which a foreclosure property election has been made will not be subject to the 100% tax on gains from prohibited transactions described above, even if the property would otherwise constitute inventory or dealer property in the hands of the selling REIT. We do not anticipate that we will receive any income from foreclosure property that is not qualifying income for purposes of the 75% gross income test, but, if we do receive any such income, we intend to make an election to treat the related property as foreclosure property.

Foreign Currency Gain

Certain foreign currency gains will be excluded from gross income for purposes of one or both of the gross income tests. "Real estate foreign exchange gain" will be excluded from gross income for purposes of the 75% gross income test. Real estate foreign exchange gain generally includes foreign currency gain attributable to any item of income or gain that is qualifying income for purposes of the 75% gross income test, foreign currency gain attributable to the acquisition or ownership of (or becoming or being the obligor under) obligations secured by mortgages on real property or on interests in real property and certain foreign currency gain attributable to certain "qualified business units" of a REIT. "Passive foreign exchange gain" will be excluded from gross income for purposes of the 95% gross income test. Passive foreign exchange gain generally includes real estate foreign exchange gain as described above, and also includes foreign currency gain attributable to any item of income or gain that is qualifying income for purposes of the 95% gross income test and foreign currency gain attributable to the acquisition or ownership of (or becoming or being the obligor under) obligations. Because passive foreign exchange gain includes real estate foreign exchange gain, real estate foreign exchange gain is excluded from gross income for purposes of both the 75% and 95% gross income tests. These exclusions for real estate foreign exchange gain and passive foreign exchange gain do not apply to any certain foreign currency gain derived from dealing, or engaging in substantial and regular trading, in securities. Such gain is treated as nonqualifying income for purposes of both the 75% and 95% gross income tests.

Failure to Satisfy Gross Income Tests

We intend to monitor our sources of income, including anynon-qualifying income received by us, and manage our assets so as to ensure our compliance with the gross income tests. We cannot assure you, however, that we will be able to satisfy the gross income tests. If we fail to satisfy one or both of the gross income tests for any taxable year, we nevertheless may qualify as a REIT for that year if we qualify for relief under certain provisions of the federal income tax laws. Those relief provisions are available if:

- our failure to meet those tests is due to reasonable cause and not to willful neglect; and
- following such failure for any taxable year, we file a schedule of the sources of our income in accordance with regulations prescribed by the Secretary of the U.S. Treasury.

We cannot predict, however, whether in all circumstances we would qualify for the relief provisions. In addition, as discussed above in "— Taxation of Our Company," even if the relief provisions apply, we would incur a 100% tax on the gross income attributable to the greater of the amount by which we fail the 75% gross income test or the 95% gross income test multiplied, in either case, by a fraction intended to reflect our profitability.

Asset Tests

To qualify as a REIT, we also must satisfy the following asset tests at the end of each quarter of each taxable year.

First, at least 75% of the value of our total assets must consist of:

- cash or cash items, including certain receivables and, in certain circumstances, foreign currencies;

- government securities;
- interests in real property, including leaseholds and options to acquire real property and leaseholds;
- interests in mortgages loans secured by real property;
- stock in other REITs; and
- investments in stock or debt instruments during the one-year period following our receipt of new capital that we raise through equity offerings (other than our distribution reinvestment plan) or public offerings of debt with at least a five-year term.

Second, of our investments not included in the 75% asset class, the value of our interest in any one issuer's securities may not exceed 5% of the value of our total assets, or the 5% asset test.

Third, of our investments not included in the 75% asset class, we may not own more than 10% of the voting power or value of any one issuer's outstanding securities, or the 10% vote or value test.

Fourth, no more than 20% of the value of our total assets may consist of the securities of one or more TRSs.

Fifth, no more than 25% of the value of our total assets may consist of the securities that are not qualifying assets for purposes of the 75% asset test.

Sixth, not more than 25% of the value of our gross assets may be represented by nonqualified publicly offered REIT debt instruments (i.e., those that are not secured by mortgages on real property or interests in real property).

For purposes of the 5% asset test and the 10% vote or value test, the term "securities" does not include shares in another REIT, equity or debt securities of a qualified REIT subsidiary or TRS, mortgage loans that constitute real estate assets, or equity interests in a partnership. The term "securities," however, generally includes debt securities issued by a partnership or another REIT, except that for purposes of the 10% value test, the term "securities" does not include "straight debt" securities, which is defined as a written unconditional promise to pay on demand or on a specified date a sum certain in money if (i) the debt is not convertible, directly or indirectly, into shares, and (ii) the interest rate and interest payment dates are not contingent on profits, the borrower's discretion, or similar factors. "Straight debt" securities do not include any securities issued by a partnership or a corporation in which we or any controlled TRS (i.e., a TRS in which we own directly or indirectly more than 50% of the voting power or value of the stock) hold non-"straight debt" securities that have an aggregate value of more than 1% of the issuer's outstanding securities. However, "straight debt" securities include debt subject to the following contingencies:

- a contingency relating to the time of payment of interest or principal, as long as either (i) there is no change to the effective yield of the debt obligation, other than a change to the annual yield that does not exceed the greater of 0.25% or 5% of the annual yield, or (ii) neither the aggregate issue price nor the aggregate face amount of the issuer's debt obligations held by us exceeds $1 million and no more than 12 months of unaccrued interest on the debt obligations can be required to be prepaid; and
- a contingency relating to the time or amount of payment upon a default or prepayment of a debt obligation, as long as the contingency is consistent with customary commercial practice.

In addition, the following are not treated as securities for purposes of the 10% value test:

- Any loan to an individual or an estate;
- Any "section 467 rental agreement," other than an agreement with a related party tenant;
- Any obligation to pay "rents from real property";
- Certain securities issued by governmental entities;
- Any security issued by a REIT;

- Any debt instrument issued by an entity treated as a partnership for federal income tax purposes in which we are a partner to the extent of our proportionate interest in the equity and debt securities of the partnership; and
- Any debt instrument issued by an entity treated as a partnership for federal income tax purposes not described in the preceding bullet points if at least 75% of the partnership's gross income, excluding income from prohibited transactions, is qualifying income for purposes of the 75% gross income test described above.

For purposes of the 10% value test, our proportionate share of the assets of a partnership is our proportionate interest in any securities issued by the partnership, without regard to the securities described in the last two bullet points above.

As described above, we may, on a select basis, invest in mezzanine loans. Although we expect that our investments in mezzanine loans will generally be treated as real estate assets, we anticipate that the mezzanine loans in which we invest will not meet all the requirements of the safe harbor in IRS Revenue Procedure 2003-65. Thus no assurance can be provided that the IRS will not challenge our treatment of mezzanine loans as real estate assets. If we invest in mezzanine loans, we intend to invest in a manner that will enable us to continue to satisfy the asset and gross income test requirements.

We will monitor the status of our assets for purposes of the various asset tests and will manage our portfolio in order to comply at all times with such tests. If we fail to satisfy the asset tests at the end of a calendar quarter, we will not lose our REIT qualification if:

- we satisfied the asset tests at the end of the preceding calendar quarter; and
- the discrepancy between the value of our assets and the asset test requirements arose from changes in the market values of our assets and was not wholly or partly caused by the acquisition of one or more non-qualifying assets.

If we did not satisfy the condition described in the second item, above, we still could avoid disqualification by eliminating any discrepancy within 30 days after the close of the calendar quarter in which it arose.

In the event that we violate the 5% asset test or the 10% vote or value test described above, we will not lose our REIT qualification if (1) the failure is de minimis (up to the lesser of 1% of our assets or $10 million) and (2) we dispose of assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identify such failure. In the event of a failure of any of the asset tests (other than de minimis failures described in the preceding sentence), as long as the failure was due to reasonable cause and not to willful neglect, we will not lose our REIT status if we (1) dispose of assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identify the failure, (2) we file a description of each asset causing the failure with the IRS and (3) pay a tax equal to the greater of $50,000 or 35% of the net income from the nonqualifying assets during the period in which we failed to satisfy the asset tests.

We believe that the assets that we will hold will satisfy the foregoing asset test requirements. However, we will not obtain independent appraisals to support our conclusions as to the value of our assets and securities, or the real estate collateral for the mortgage or mezzanine loans that support our investments. Moreover, the values of some assets may not be susceptible to a precise determination. As a result, there can be no assurance that the IRS will not contend that our ownership of securities and other assets violates one or more of the asset tests applicable to REITs.

Distribution Requirements

Each taxable year, we must distribute dividends, other than capital gain dividends and deemed distributions of retained capital gain, to our shareholders in an aggregate amount at least equal to the sum of:

- 90% of our "REIT taxable income," computed without regard to the dividends paid deduction and our net capital gain or loss, and
- 90% of our after-tax net income, if any, from foreclosure property, minus
- the sum of certain items of non-cash income that exceeds a percentage of our income.

We must distribute such dividends in the taxable year to which they relate, or in the following taxable year if either (a) we declare the distribution before we timely file our federal income tax return for the year and pay the distribution on or before the first regular dividend payment date after such declaration or (b) we declare the distribution in October, November or

December of the taxable year, payable to shareholders of record on a specified day in any such month, and we actually pay the dividend before the end of January of the following year. The distributions under clause (a) are taxable to the shareholders in the year in which paid, and the distributions in clause (b) are treated as paid on December 31st of the prior taxable year. In both instances, these distributions relate to our prior taxable year for purposes of the 90% distribution requirement.

In order for distributions to satisfy this requirement and give rise to a deduction, such dividends may not be "preferential." A dividend will not be deemed to be preferential if it is pro rata among all outstanding shares of stock within a given class and any preferences between classes of stock are made pursuant to the terms contained in our organizational documents. Under certain technical rules governing deficiency dividends, we could lose our ability to cure an under-distribution in a year with a subsequent year deficiency dividend if we pay preferential dividends. Preferential dividends potentially include "dividend equivalent redemptions." Accordingly, we intend to pay dividends pro rata within each class, to abide by the rights and preferences of each class of the company's shares if there is more than one, and to seek to avoid dividend equivalent redemptions.

We will pay federal income tax on taxable income, including net capital gain, that we do not distribute to shareholders. Furthermore, if we fail to distribute during a calendar year, or by the end of January following the calendar year in the case of distributions with declaration and record dates falling in the last three months of the calendar year, at least the sum of:

- 85% of our REIT ordinary income for such year,
- 95% of our REIT capital gain income for such year, and
- any undistributed taxable income from prior periods, we will incur a 4% nondeductible excise tax on the excess of such required distribution over the amounts we actually distribute.

We may elect to retain and pay income tax on the net long-term capital gain we receive in a taxable year. If we so elect, we will be treated as having distributed any such retained amount for purposes of the 4% nondeductible excise tax described above. We intend to make timely distributions sufficient to satisfy the annual distribution requirements and to avoid corporate income tax and the 4% nondeductible excise tax.

It is possible that, from time to time, we may experience timing differences between the actual receipt of income and actual payment of deductible expenses and the inclusion of that income and deduction of such expenses in arriving at our REIT taxable income. For example, we may not deduct recognized capital losses from our "REIT taxable income." Further, it is possible that, from time to time, we may be allocated a share of net capital gain attributable to the sale of depreciated property that exceeds our allocable share of cash attributable to that sale. As a result of the foregoing, we may have less cash than is necessary to distribute taxable income sufficient to avoid corporate income tax and the excise tax imposed on certain undistributed income or even to meet the 90% distribution requirement. In such a situation, we may need to borrow funds or, if possible, pay taxable dividends of our shares of stock or debt securities.

Under certain circumstances, we may be able to correct a failure to meet the distribution requirement for a year by paying "deficiency dividends" to our shareholders in a later year. We may include such deficiency dividends in our deduction for dividends paid for the earlier year. Although we may be able to avoid income tax on amounts distributed as deficiency dividends, we will be required to pay interest to the IRS based upon the amount of any deduction we take for deficiency dividends.

Recordkeeping Requirements

To avoid a monetary penalty, we must request on an annual basis information from our shareholders designed to disclose the actual ownership of our outstanding shares of stock. We intend to comply with these requirements.

Failure to Qualify

If we fail to satisfy one or more requirements for REIT qualification, other than the gross income tests and the asset tests, we could avoid disqualification if our failure is due to reasonable cause and not to willful neglect and we pay a penalty of $50,000 for each such failure.

If we fail to qualify as a REIT in any taxable year, and no relief provision applies, we would be subject to federal income tax and any applicable alternative minimum tax on our taxable income at regular corporate rates. In calculating our taxable income in a year in which we fail to qualify as a REIT, we would not be able to deduct amounts paid out to shareholders. In

fact, we would not be required to distribute any amounts to shareholders in that year. In such event, to the extent of our current and accumulated earnings and profits, all distributions to shareholders would be taxable as ordinary income. Subject to certain limitations of the federal income tax laws, corporate shareholders might be eligible for the dividends received deduction and shareholders taxed at individual rates may be eligible for the reduced federal income tax rate on such "qualified dividends." Unless we qualified for relief under specific statutory provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we failed to qualify as a REIT. We cannot predict whether in all circumstances we would qualify for such statutory relief.

Taxation of Taxable U.S. Shareholders

As used herein, the term "U.S. shareholder" means a holder of our common stock that for U.S. federal income tax purposes is not a tax-exempt organization and is:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for federal income tax purposes) created or organized in or under the laws of the United States, any of its states or the District of Columbia;
- an estate whose income is subject to federal income taxation regardless of its source; or
- any trust if (1) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) it has a valid election in place to be treated as a U.S. person.

If a partnership, entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. If you are a partner in a partnership holding our common stock, you are urged to consult your tax advisor regarding the consequences of the ownership and disposition of our common stock by the partnership.

Taxation of Distributions

As long as we qualify as a REIT, a taxable U.S. shareholder must generally take into account as ordinary income distributions made out of our current or accumulated earnings and profits that we do not designate as capital gain dividends or retained long-term capital gain. A U.S. shareholder will not qualify for the dividends-received deduction generally available to corporations. In addition, dividends paid to a non-corporate U.S. shareholder generally will not qualify for the 20% maximum tax rate for "qualified dividend income." The maximum tax rate on qualified dividend income is lower than the maximum tax rate on ordinary income, which is currently 37%. Tax legislation enacted in December 2017 which is commonly referred to as the Tax Cuts and Jobs Act, however, reduces the top effective rate applicable to ordinary dividends from REITs to 29.6% (through a 20% deduction for ordinary REIT dividends received that are not "capital gain dividends" or "qualified dividend income," subject to complex limitations). This reduced rate applies for taxable years beginning on January 1, 2018 and through taxable years ending December 31, 2025. The 20% tax rate for qualified dividend income will apply to our ordinary REIT dividends (i) attributable to dividends received by us from non-REIT corporations, such as any TRS, and (ii) to the extent attributable to income upon which we have paid corporate income tax (e.g. , to the extent that we distribute less than 100% of our taxable income). In general, to qualify for the reduced tax rate on qualified dividend income, a shareholder must hold our common stock for more than 60 days during the 121-day period beginning on the date that is 60 days before the date on which our common stock becomes ex-dividend.

A U.S. shareholder generally will take into account as long-term capital gain any distributions that we designate as capital gain dividends without regard to the period for which the U.S. shareholder has held our common stock. We generally will designate our capital gain dividends as either 20% or 25% rate dividends. See "— Capital Gains and Losses." A corporate U.S. shareholder, however, may be required to treat up to 20% of certain capital gain dividends as ordinary income.

We may elect to retain and pay income tax on the net long-term capital gain that we receive in a taxable year. In that case, to the extent that we designate such amount in a timely notice to such shareholder, a U.S. shareholder would be taxed on its proportionate share of our undistributed long-term capital gain. The U.S. shareholder would receive a credit for its proportionate share of the tax we paid. The U.S. shareholder would increase the basis in its shares of stock by the amount of its proportionate share of our undistributed long-term capital gain, minus its share of the tax we paid.

A U.S. shareholder will not incur tax on a distribution in excess of our current and accumulated earnings and profits if the distribution does not exceed the adjusted basis of the U.S. shareholder's common stock. Instead, the distribution will reduce the adjusted basis of such shares of stock. A U.S. shareholder will recognize a gain on a distribution in excess of both our current and accumulated earnings and profits and the U.S. shareholder's adjusted basis in his or her shares of stock as long-term capital gain, or short-term capital gain if the shares of stock have been held for one year or less, assuming the shares of stock are a capital asset in the hands of the U.S. shareholder. In addition, if we declare a dividend in October, November, or December of any year that is payable to a U.S. shareholder of record on a specified date in any such month, such dividend shall be treated as both paid by us and received by the U.S. shareholder on December 31 of such year, provided that we actually distribute such dividend during January of the following calendar year.

Shareholders may not include in their individual income tax returns any of our net operating losses or capital losses. Instead, these losses are generally carried over by us for potential offset against our future income. Taxable distributions from us and gain from the disposition of our common stock will not be treated as passive activity income, and, therefore, shareholders generally will not be able to apply any "passive activity losses," such as losses from certain types of limited partnerships in which the shareholder is a limited partner, against such income. In addition, taxable distributions from us and gain from the disposition of our common stock generally will be treated as investment income for purposes of the investment interest limitations. We will notify shareholders after the close of our taxable year as to the portions of the distributions attributable to that year that constitute ordinary income, return of capital and capital gain.

Taxation of U.S. Shareholders on the Disposition of Common stock

A U.S. shareholder who is not a dealer in securities must generally treat any gain or loss realized upon a taxable disposition of our common stock as long-term capital gain or loss if the U.S. shareholder has held our common stock for more than one year and otherwise as short-term capital gain or loss. In general, a U.S. shareholder will realize gain or loss in an amount equal to the difference between the sum of the fair market value of any property and the amount of cash received in such disposition and the U.S. shareholder's adjusted tax basis. A shareholder's adjusted tax basis generally will equal the U.S. shareholder's acquisition cost, increased by the excess of net capital gains deemed distributed to the U.S. shareholder (discussed above) less tax deemed paid on such gains and reduced by any returns of capital. However, a U.S. shareholder must treat any loss upon a sale or exchange of common stock held by such shareholder for six months or less as a long-term capital loss to the extent of capital gain dividends and any other actual or deemed distributions from us that such U.S. shareholder treats as long-term capital gain. All or a portion of any loss that a U.S. shareholder realizes upon a taxable disposition of our common stock may be disallowed if the U.S. shareholder purchases other common stock within 30 days before or after the disposition.

Capital Gains and Losses

A taxpayer generally must hold a capital asset for more than one year for gain or loss derived from its sale or exchange to be treated as long-term capital gain or loss. The highest marginal individual income tax rate currently is 37%. The maximum tax rate on long-term capital gain applicable to taxpayers taxed at individual rates is 20% for sales and exchanges of assets held for more than one year. The maximum tax rate on long-term capital gain from the sale or exchange of "Section 1250 property," or depreciable real property, is 25%, which applies to the lesser of the total amount of the gain or the accumulated depreciation on the Section 1250 property. Gains recognized by U.S. stockholders that are corporations are subject to U.S. federal income tax at a maximum rate of 21%, whether or not classified as long-term capital gain.

With respect to distributions that we designate as capital gain dividends and any retained capital gain that we are deemed to distribute, we generally will designate whether such a distribution is taxable to our shareholders taxed at individual rates at a 20% or 25% rate. Thus, the tax rate differential between capital gain and ordinary income for those taxpayers may be significant. In addition, the characterization of income as capital gain or ordinary income may affect the deductibility of capital losses. A non-corporate taxpayer may deduct capital losses not offset by capital gains against its ordinary income only up to a maximum annual amount of $3,000. A non-corporate taxpayer may carry forward unused capital losses indefinitely. A corporate taxpayer must pay tax on its net capital gain at ordinary corporate rates. A corporate taxpayer may deduct capital losses only to the extent of capital gains, with unused losses being carried back three years and forward five years.

Medicare Tax on Unearned Income

High-income individuals, estates and trusts, will be subject to an additional 3.8% tax, which, for individuals, applies to the lesser of (i) "net investment income" or (ii) the excess of "modified adjusted gross income" over $200,000 ($250,000 if married and filing jointly or $125,000 if married and filing separately). "Net investment income" generally equals the taxpayer's gross investment income reduced by the deductions that are allocable to such income. Investment income generally includes passive income such as dividends and gains from sales of stock. U.S. stockholders should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of our common stock.

Taxation of Tax-Exempt Shareholders

Tax-exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from federal income taxation. However, they are subject to taxation on their unrelated business taxable income ("UBTI"). The IRS has issued a ruling that dividends from a REIT to an exempt employee pension trust do not constitute UBTI so long as the exempt employee pension trust does not otherwise use the shares of beneficial interest in the REIT in an unrelated trade or business of the pension trust. Based on that ruling, amounts that we distribute to tax-exempt shareholders generally should not constitute UBTI. However, if a tax-exempt shareholder were to finance its acquisition of common stock with debt, a portion of the income that it receives from us would constitute UBTI pursuant to the "debt-financed property" rules. Moreover, social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans that are exempt from taxation under special provisions of the federal income tax laws are subject to different UBTI rules, which generally will require them to characterize distributions that they receive from us as UBTI. Finally, in certain circumstances, a qualified employee pension or profit sharing trust that owns more than 10% of our shares of stock must treat a percentage of the dividends that it receives from us as UBTI. Such percentage is equal to the gross income we derive from an unrelated trade or business, determined as if we were a pension trust, divided by our total gross income for the year in which we pay the dividends. That rule applies to a pension trust holding more than 10% of our shares of stock only if:

- the percentage of our dividends that the tax-exempt trust must treat as UBTI is at least 5%;
- we qualify as a REIT by reason of the modification of the rule requiring that no more than 50% of our shares of stock be owned by five or fewer individuals that allows the beneficiaries of the pension trust to be treated as holding our shares of stock in proportion to their actuarial interests in the pension trust; and

either:

- one pension trust owns more than 25% of the value of our shares of stock; or
- a group of pension trusts individually holding more than 10% of the value of our shares of stock collectively owns more than 50% of the value of our shares of stock.

Taxation of Non-U.S. Shareholders

The term "non-U.S. shareholder" means a holder of our common stock that is not a U.S. shareholder or a partnership (or entity treated as a partnership for federal income tax purposes). The rules governing federal income taxation of nonresident alien individuals, foreign corporations, and other foreign shareholders are complex. This section is only a summary of such rules. **We urge non-U.S. shareholders to consult their own tax advisors to determine the impact of federal, state, and local income tax laws on the purchase, ownership and sale of our common stock, including any reporting requirements**.

Taxation of REIT Distributions

A distribution to a non-U.S. shareholder that is not attributable to gain from our sale or exchange of a "United States real property interest," or USRPI, as defined below, that we do not designate as a capital gain dividend or retained capital gain and that we pay out of our current or accumulated earnings and profits will be subject to a 30% withholding tax on the gross amount of the dividend unless an applicable tax treaty reduces or eliminates the tax. If a dividend is "effectively connected income," or such dividend is treated as effectively connected with the non-U.S. shareholder's conduct of a U.S. trade or business, the non-U.S. shareholder generally will be subject to federal income tax on the dividend at graduated rates, in the same manner as U.S. shareholders are taxed with respect to such dividend, and a non-U.S. shareholder that is a corporation also may be subject to the 30% branch profits tax with respect to that dividend. We plan to withhold U.S. income tax at the rate of 30% on the gross amount of any such distribution paid to a non-U.S. shareholder unless either:

- a lower treaty rate applies and the non-U.S. shareholder files an IRS Form W-8BEN or W-8BEN-E evidencing eligibility for that reduced rate with us; or
- the non-U.S. shareholder files an IRS Form W-8ECI with us claiming that the distribution is effectively connected income.

A non-U.S. shareholder will not incur tax on a distribution in excess of our current and accumulated earnings and profits if the excess portion of such distribution does not exceed the adjusted basis of its common stock. Instead, the excess portion of such distribution will reduce the adjusted basis of such shares of stock. A non-U.S. shareholder will be subject to tax on a distribution that exceeds both our current and accumulated earnings and profits and the adjusted basis of its common stock, if the non-U.S. shareholder otherwise would be subject to tax on gain from the sale or disposition of its common stock, as described below. Because we generally cannot determine at the time we make a distribution whether the distribution will exceed our current and accumulated earnings and profits, we normally will withhold tax on the entire amount of any distribution at the same rate as we would withhold on a dividend. However, a non-U.S. shareholder may claim a refund of amounts that we withhold if we later determine that a distribution in fact exceeded our current and accumulated earnings and profits.

For any year in which we qualify as a REIT, a non-U.S. shareholder will incur tax on distributions that are attributable to gain from our sale or exchange of a USRPI under the Foreign Investment in Real Property Act of 1980 ("FIRPTA"). A USRPI includes certain interests in real property and stock in corporations at least 50% of whose assets consist of interests in real property. Under FIRPTA, a non-U.S. shareholder is taxed on distributions attributable to gain from sales of USRPIs as if such gain were effectively connected with a U.S. business of the non-U.S. shareholder. A non-U.S. shareholder thus will be required to file U.S. federal income tax returns and will be taxed on such a distribution at the normal capital gains rates applicable to U.S. shareholders, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of a nonresident alien individual. A non-U.S. corporate shareholder not entitled to treaty relief or exemption also may be subject to the 30% branch profits tax on such a distribution. We will be required to withhold 35% of any distribution that we could designate as a capital gain dividend. A non-U.S. shareholder will receive a credit against its tax liability for the amount we withhold.

However, if our common stock are regularly traded on an established securities market in the United States, capital gain distributions on our common stock that are attributable to our sale of real property will be treated as ordinary dividends rather than as gain from the sale of a USRPI, as long as the non-U.S. shareholder did not own more than 10% of our common stock at any time during the one-year period preceding the distribution. As a result, non-U.S. shareholders generally will be subject to withholding tax on such capital gain distributions in the same manner as they are subject to withholding tax on ordinary dividends. If our common stock is not regularly traded on an established securities market in the United States or the non-U.S. shareholder owned more than 10% of our common stock at any time during the one-year period preceding the distribution, capital gain distributions that are attributable to our sale of real property would be subject to tax under FIRPTA, as described in the preceding paragraph. Moreover, if a non-U.S. shareholder disposes of our common stock during the 30-day period preceding a dividend payment, and such non-U.S. shareholder (or a person related to such non-U.S. shareholder) acquires or enters into a contract or option to acquire our common stock within 61 days of the first day of the 30-day period described above, and any portion of such dividend payment would, but for the disposition, be treated as a USRPI capital gain to such non-U.S. shareholder, then such non-U.S. shareholder shall be treated as having USRPI capital gain in an amount that, but for the disposition, would have been treated as USRPI capital gain.

Taxation of Dispositions of REIT Shares

Non-U.S. shareholders could incur tax under FIRPTA with respect to gain realized upon a disposition of our common stock if we are a United States real property holding corporation during a specified testing period. If at least 50% of a REIT's assets are United States real property interests, then the REIT will be a United States real property holding corporation. We anticipate that we will be a United States real property holding corporation based on our investment strategy. However, if we are a United States real property holding corporation, a non-U.S. shareholder generally would not incur tax under FIRPTA on gain from the sale of our common stock if we are a "domestically controlled qualified investment entity." A domestically controlled qualified investment entity includes a REIT in which, at all times during a specified testing period, less than 50% in value of its shares are held directly or indirectly by non-U.S. shareholders. We cannot assure you that this test will be met. If our common stock are regularly traded on an established securities market, an additional exception to the tax under FIRPTA will be available with respect to our common stock, even if we do not qualify as a domestically controlled qualified investment entity at the time the non-U.S. shareholder sells our common stock. Under that exception, the gain from such a sale by such a non-U.S. shareholder will not be subject to tax under FIRPTA if:

- our common stock is treated as being regularly traded under applicable U.S. Treasury regulations on an established securities market; and
- the non-U.S. shareholder owned, actually or constructively, 10% or less of our common stock at all times during a specified testing period.

If the gain on the sale of our common stock were taxed under FIRPTA, a non-U.S. shareholder would be taxed on that gain in the same manner as U.S. shareholders, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals. Furthermore, a non-U.S. shareholder generally will incur tax on gain not subject to FIRPTA if:

- the gain is effectively connected with the non-U.S. shareholder's U.S. trade or business, in which case the non-U.S. shareholder will be subject to the same treatment as U.S. shareholders with respect to such gain; or
- the non-U.S. shareholder is a nonresident alien individual who was present in the U.S. for 183 days or more during the taxable year and has a "tax home" in the United States, in which case the non-U.S. shareholder will incur a 30% tax on his or her capital gains.

FATCA Withholding

Under legislation (commonly referred to as "FATCA"), withholding at a rate of 30% will be required on dividends in respect of our common stock received by certain non-U.S. holders if certain disclosure requirements related to U.S. accounts or ownership are not satisfied. In addition, if those disclosure requirements are not satisfied, under FATCA, a U.S. withholding tax at a 30% rate will be imposed, for payment after December 31, 2018, on gross proceeds from the sale of shares of our common stock received by certain non-U.S. holders. If payment of withholding taxes is required, non-U.S. holders that are otherwise eligible for an exemption from, or reduction of, U.S. withholding taxes with respect of such interest and proceeds will be required to seek a refund from the IRS to obtain the benefit of such exemption or reduction. We will not pay any additional amounts in respect of any amounts withheld. However, under recently released proposed Treasury Regulations, such gross proceeds are not subject to FATCA withholding. In the preamble to these proposed Treasury Regulations, the IRS has stated that taxpayers may generally rely on the proposed treasury Regulations until final Treasury Regulations are issued. Non-U.S. stockholders are encouraged to consult with their tax advisers regarding the possible implications of the FATCA rules on their investment in our common stock.

Information Reporting Requirements and Backup Withholding

We will report to our shareholders and to the IRS the amount of distributions we pay during each calendar year, and the amount of tax we withhold, if any. Under the backup withholding rules, a shareholder may be subject to backup withholding at a rate of 24% with respect to distributions unless the holder:

- is a corporation or qualifies for certain other exempt categories and, when required, demonstrates this fact; or
- provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding, and otherwise complies with the applicable requirements of the backup withholding rules.

A shareholder who does not provide us with its correct taxpayer identification number also may be subject to penalties imposed by the IRS. Any amount paid as backup withholding will be creditable against the shareholder's income tax liability. In addition, we may be required to withhold a portion of capital gain distributions to any shareholders who fail to certify their non-foreign status to us.

Backup withholding will generally not apply to payments of dividends made by us or our paying agents, in their capacities as such, to a non-U.S. shareholder provided that the non-U.S. shareholder furnishes to us or our paying agent the required certification as to its non-U.S. status, such as providing a valid IRS Form W-8, or certain other requirements are met. Notwithstanding the foregoing, backup withholding may apply if either we or our paying agent has actual knowledge, or reason to know, that the holder is a U.S. person that is not an exempt recipient. Payments of the net proceeds from a disposition or a redemption effected outside the U.S. by a non-U.S. shareholder made by or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) generally will apply to such a payment if the broker has certain connections with the U.S. unless the broker has documentary evidence in its records that the beneficial owner is a non-U.S. shareholder and specified conditions are met or an exemption is otherwise established. Payment of the net proceeds from a disposition by a non-U.S. shareholder of common stock made by or through the U.S. office of a broker is generally subject to information reporting and backup withholding unless the non-U.S. shareholder certifies under penalties of perjury that it is not a U.S. person and satisfies certain other requirements, or otherwise establishes an exemption from information reporting and backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the shareholder's federal income tax liability if certain required information is furnished to the IRS. Shareholders are urged to consult their own tax advisors regarding application of backup withholding to them and the availability of, and procedure for obtaining an exemption from, backup withholding.

Other Tax Consequences

Tax Aspects of Our Investments in Our Operating Partnership and Subsidiary Partnerships

The following discussion summarizes certain federal income tax considerations applicable to our direct or indirect investments in our Operating Partnership and any subsidiary partnerships or limited liability companies that we form or acquire (each individually a "Partnership" and, collectively, the "Partnerships"). The discussion does not cover state or local tax laws or any federal tax laws other than income tax laws.

Classification as Partnerships. We will include in our income our distributive share of each Partnership's income and to deduct our distributive share of each Partnership's losses only if such Partnership is classified for federal income tax purposes as a partnership (or an entity that is disregarded for federal income tax purposes if the entity has only one owner or member) rather than as a corporation or an association taxable as a corporation. An unincorporated entity with at least two owners or members will be classified as a partnership, rather than as a corporation, for federal income tax purposes if it:

- is treated as a partnership under the Treasury regulations relating to entity classification (the"check-the-box regulations"); and
- is not a "publicly traded" partnership.

Under the check-the-box regulations, an unincorporated entity with at least two owners or members may elect to be classified either as an association taxable as a corporation or as a partnership. If such an entity fails to make an election, it generally will be treated as a partnership (or an entity that is disregarded for federal income tax purposes if the entity has only one owner or member) for federal income tax purposes. Each Partnership intends to be classified as a partnership for federal income tax purposes, and no Partnership will elect to be treated as an association taxable as a corporation under the check-the-box regulations.

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. A publicly traded partnership will not, however, be treated as a corporation for any taxable year if, for each taxable year, 90% or more of the partnership's gross income for such year consists of certain passive-type income, including real property rents, gains from the sale or other disposition of real property, interest, and dividends (the "90% passive income exception"). Treasury regulations (the "PTP regulations") provide limited safe harbors from the definition of a publicly traded partnership. Pursuant to one of those safe harbors (the "private placement exclusion"), interests in a partnership will not be treated as readily tradable on a secondary market or the substantial equivalent thereof if (1) all interests in the partnership were issued in a transaction or transactions that were not required to be registered under the Securities Act, and (2) the partnership does not have more than 100 partners at any time during the partnership's taxable year. In determining the number of partners in a partnership, a person owning an interest in a partnership, grantor trust, or S corporation that owns an interest in the partnership is treated as a partner in such partnership only if (1) substantially all of the value of the owner's interest in the entity is attributable to the entity's direct or indirect interest in the partnership and (2) a principal purpose of the use of the entity is to permit the partnership to satisfy the 100-partner limitation. Each Partnership is expected to qualify for the private placement exclusion in the foreseeable future.

We have not requested, and do not intend to request, a ruling from the IRS that the Partnerships will be classified as partnerships for federal income tax purposes. If for any reason a Partnership were taxable as a corporation, rather than as a partnership, for federal income tax purposes, we likely would not be able to qualify as a REIT unless we qualified for certain relief provisions. See "— Gross Income Tests" and "— Asset Tests." In addition, any change in a Partnership's status for tax purposes might be treated as a taxable event, in which case we might incur tax liability without any related cash distribution. See "— Distribution Requirements." Further, items of income and deduction of such Partnership would not pass through to its partners, and its partners would be treated as shareholders for tax purposes. Consequently, such Partnership would be required to pay income tax at corporate rates on its net income, and distributions to its partners would constitute dividends that would not be deductible in computing such Partnership's taxable income.

Income Taxation of the Partnerships and their Partners

Partners, Not the Partnerships, Subject to Tax. A partnership is not a taxable entity for federal income tax purposes. Rather, we are required to take into account our allocable share of each Partnership's income, gains, losses, deductions, and credits for any taxable year of such Partnership ending within or with our taxable year, without regard to whether we have received or will receive any distribution from such Partnership.

Partnership Allocations. Although a partnership agreement generally will determine the allocation of income and losses among partners, such allocations will be disregarded for tax purposes if they do not comply with the provisions of the federal income tax laws governing partnership allocations. If an allocation is not recognized for federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. Each Partnership's allocations of taxable income, gain, and loss are intended to comply with the requirements of the federal income tax laws governing partnership allocations.

Tax Allocations With Respect to Our Properties. Income, gain, loss, and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated in a manner such that the contributing partner is charged with, or benefits from, respectively, the unrealized gain or unrealized loss associated with the property at the time of the contribution. The amount of such unrealized gain or unrealized loss ("built-in gain" or "built-in 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 (a "book-tax difference"). Any property purchased by our Operating Partnership for cash initially will have an adjusted tax basis equal to its fair market value, resulting in no book-tax difference. Our Operating Partnership has acquired properties by contribution in exchange for interests in our Operating Partnership, which resulted in book-tax differences. Allocations with respect to book-tax differences are solely for federal income tax purposes and do not affect the book capital accounts or other economic or legal arrangements among the partners. The U.S. Treasury Department has issued regulations requiring partnerships to use a "reasonable method" for allocating items with respect to which there is a book-tax difference and outlining several reasonable allocation methods. Under certain available methods, the carryover basis of contributed properties in the hands of our Operating Partnership (i) would cause us to be allocated lower amounts of depreciation deductions for tax purposes than would be allocated to us if all contributed properties were to have a tax basis equal to their fair market value at the time of the contribution and (ii) in the event of a sale of such properties, could cause us to be allocated taxable gain in excess of the economic or book gain allocated to us as a result of such sale, with a corresponding benefit to the contributing partners. An allocation described in (ii) above might cause us to recognize taxable income in excess of cash proceeds in the event of a sale or other disposition of property, which might adversely affect our ability to comply with the REIT distribution requirements and may result in a greater portion of our distributions being taxed as dividends. Our Operating Partnership generally intends to use the "traditional" method for allocating items with respect to which there is a book-tax difference caused by the contribution of properties to our Operating Partnership in exchange for interests.

Any property acquired by our Operating Partnership in a taxable transaction will initially have a tax basis equal to its fair market value, and Section 704(c) of the Code generally will not apply.

Basis in Partnership Units. Our adjusted tax basis in our common units in our Operating Partnership generally is equal to:

- the amount of cash and the basis of any other property contributed by us to our Operating Partnership;
- increased by our allocable share of our Operating Partnership's income and our allocable share of indebtedness of our Operating Partnership; and
- reduced, but not below zero, by our allocable share of our Operating Partnership's loss and the amount of cash distributed to us, and by constructive distributions resulting from a reduction in our share of indebtedness of our Operating Partnership.

If the allocation of our distributive share of our Operating Partnership's loss would reduce the adjusted tax basis of our common units below zero, the recognition of such loss will be deferred until such time as the recognition of such loss would not reduce our adjusted tax basis below zero. To the extent that our Operating Partnership's distributions, or any decrease in our share of the indebtedness of our Operating Partnership, which is considered a constructive cash distribution to the partners, reduce our adjusted tax basis below zero, such distributions will constitute taxable income to us. Such distributions and constructive distributions normally will be characterized as long-term capital gain.

Sale of a Partnership's Property

Generally, any gain realized by a Partnership on the sale of property held by the Partnership for more than one year will be long-term capital gain, except for any portion of such gain that is treated as depreciation or cost recovery recapture. Any gain or loss recognized by a Partnership on the disposition of contributed properties will be allocated first to the partners of the Partnership who contributed such properties to the extent of their built-in gain or loss on those properties for federal income tax purposes. The partners' built-in gain or loss on such contributed properties will equal the difference between the partners' proportionate share of the book value of those properties and the partners' tax basis allocable to those properties at the time of the contribution. Any remaining gain or loss recognized by the Partnership on the disposition of the contributed properties, and any gain or loss recognized by the Partnership on the disposition of the other properties, will be allocated among the partners in accordance with their respective percentage interests in the Partnership.

Our share of any gain realized by a Partnership on the sale of any property held by the Partnership as inventory or other property held primarily for sale to customers in the ordinary course of the Partnership's trade or business will be treated as income from a prohibited transaction that is subject to a 100% penalty tax. Such prohibited transaction income also may have an adverse effect upon our ability to satisfy the income tests for REIT status. See "— Gross Income Tests." We do not presently intend to acquire or hold or to allow any partnership to acquire or hold any property that represents inventory or other property held primarily for sale to customers in the ordinary course of our or such partnership's trade or business.

State, Local and Foreign Taxes

We and you may be subject to taxation by various states, localities and foreign jurisdictions, including those in which we or a shareholder transacts business, owns property or resides. The state, local and foreign tax treatment may differ from the federal income tax treatment described above. Consequently, you are urged to consult your own tax advisors regarding the effect of state, local and foreign tax laws upon an investment in our common stock.

ERISA CONSIDERATIONS

A fiduciary of a pension, profit sharing, retirement or other employee benefit plan, or plan, subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), should consider the fiduciary standards under ERISA in the context of the plan's particular circumstances before authorizing an investment of a portion of such plan's assets in our common stock. Accordingly, such fiduciary should consider (i) whether the investment satisfies the diversification requirements of Section 404(a)(1)(C) of ERISA, (ii) whether the investment is in accordance with the documents and instruments governing the plan as required by Section 404(a)(1)(D) of ERISA, and (iii) whether the investment is prudent under ERISA. In addition to the imposition of general fiduciary standards of investment prudence and diversification, ERISA, and the corresponding provisions of the Code, prohibit a wide range of transactions involving the assets of the plan and persons who have certain specified relationships to the plan ("parties in interest" within the meaning of ERISA, "disqualified persons" within the meaning of the Code). Thus, a plan fiduciary considering an investment in our common stock also should consider whether the acquisition or the continued holding of the shares might constitute or give rise to a direct or indirect prohibited transaction that is not subject to an exemption issued by the Department of Labor (the "DOL"). Similar restrictions apply to many governmental and foreign plans which are not subject to ERISA. Thus, those considering investing in the shares on behalf of such a plan should consider whether the acquisition or the continued holding of the shares might violate any such similar restrictions.

The DOL has issued final regulations (the "DOL Regulations"), as to what constitutes assets of an employee benefit plan under ERISA. Under the DOL Regulations, if a plan acquires an equity interest in an entity, which interest is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the plan's assets would include, for purposes of the fiduciary responsibility provision of ERISA, both the equity interest and an undivided interest in each of the entity's underlying assets unless certain specified exceptions apply. The DOL Regulations define a publicly offered security as a security that is "widely held," "freely transferable," and either part of a class of securities registered under the Exchange Act, or sold pursuant to an effective registration statement under the Securities Act (provided the securities are registered under the Exchange Act within 120 days after the end of the fiscal year of the issuer during which the public offering occurred). The shares are being sold in an offering registered under the Securities Act and will be registered under the Exchange Act.

The DOL Regulations provide that a security is "widely held" only if it is part of a class of securities that is owned by 100 or more investors independent of the issuer and of one another. A security will not fail to be "widely held" because the number of independent investors falls below 100 subsequent to the initial public offering as a result of events beyond the issuer's control. We expect our common stock to be "widely held" upon completion of this offering.

The DOL Regulations provide that whether a security is "freely transferable" is a factual question to be determined on the basis of all relevant facts and circumstances. We believe that the restrictions imposed under our articles of incorporation on the transfer of our shares are limited to the restrictions on transfer generally permitted under the DOL Regulations and are not likely to result in the failure of the common stock to be "freely transferable." The DOL Regulations only establish a presumption in favor of the finding of free transferability, and, therefore, no assurance can be given that the DOL will not reach a contrary conclusion.

Assuming that the common stock will be "widely held" and "freely transferable," we believe that our common stock will be publicly offered securities for purposes of the DOL Regulations and that our assets will not be deemed to be "plan assets" of any plan that invests in our common stock.

Each holder of our common stock will be deemed to have represented and agreed that its purchase and holding of such common stock (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code.

UNDERWRITING

We have entered enter into an underwriting agreement dated , 2020 with Maxim Group LLC ("Maxim" or the "Underwriter") acting as the sole underwriter and book-running manager for this offering. Subject to the terms and conditions of the underwriting agreement, the Underwriter has agreed to purchase, and we have agreed to sell to it, the number of shares of common stock at the public offering price, less the underwriting discounts and commissions, as set forth on the cover page of this prospectus.

The underwriting agreement provides that the obligations of the Underwriter to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to other conditions. The Underwriter is obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares of common stock are taken, other than those shares of common stock covered by the over-allotment option described below.

Over-Allotment Option

We have granted to the Underwriter an option, exercisable not later than 45 days after the effective date of the underwriting agreement, to purchase up to additional shares of common stock at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus. The Underwriter may exercise this option only to cover over-allotments made in connection with this offering. We will be obligated, pursuant to the option, to sell these additional shares of common stock to the Underwriter to the extent the option is exercised. If any additional shares of common stock are purchased, the Underwriter will offer the additional shares of common stock on the same terms as those on which the other shares of common stock are being offered hereunder.

Commissions

We have agreed to pay the Underwriter a cash fee equal to 9.0% of the gross proceeds raised in this offering, $15,000 of which has been paid to the Underwriter in advance to cover its reasonably anticipated out-of-pocket expenses. The $15,000 advance shall be applied towards the 9.0% cash fee and will be reimbursed to us to the extent the Underwriter incurs less than $15,000 of out-of-pocket expenses. The Underwriter proposes to offer the shares of common stock directly to the public at the public offering price set forth on the cover of this prospectus. In addition, the Underwriter may offer some of the shares of common stock to other securities dealers at such price less a concession of up to % or $ per share. After the offering to the public, the offering price and other selling terms may be changed by the Underwriter without changing the proceeds we will receive from the Underwriter.

The following table summarizes the public offering price, underwriting commissions and proceeds before expenses to us assuming both no exercise and full exercise of the Underwriter's option to purchase additional shares of common stock. The underwriting commissions are equal to the public offering price per share less the amount per share the Underwriter pays us for the shares of common stock.

	Per Share	Total Without Over-Allotment	Total With Over-Allotment
Public offering price	$	$	$
Underwriting discounts and commissions	$	$	$
Proceeds to us before expenses	$	$	$

We estimate the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding underwriting discounts and commissions, will be approximately $275,000, all of which are payable by us.

We have also granted the Underwriter a right of first participation to act as placement agent, underwriter or investment bank on any subsequent private or public offering of our securities for a period of 16 months from the sale of common stock in this offering.

Selling Stockholders

No securities are being sold for the account of stockholders; the Company will receive all the net proceeds of this offering.

Lock-Up Agreements

We and all of our executive officers, directors and our 5% or greater stockholders will enter intolock-up agreements with the Underwriter pursuant to which they will agree, subject to certain exceptions, not to offer, issue, sell, contract to sell, encumber, grant any option for the sale of or otherwise dispose of any shares of our common stock or other securities convertible into or exercisable or exchangeable for shares of our common stock for a period of 180 days after the effective date of the registration statement of which this prospectus is a part without the prior written consent of the Underwriter.

The Underwriter may in its sole discretion and at any time without notice release some or all of the shares subject tolock-up agreements prior to the expiration of the lock-up period. When determining whether or not to release shares from thelock-up agreements, the representative will consider, among other factors, the security holder's reasons for requesting the release, the number of shares for which the release is being requested and market conditions at the time.

Price Stabilization, Short Positions and Penalty Bids

In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect the price of our common stock. Specifically, the Underwriter may over-allot in connection with this offering by selling more shares of common stock than are set forth on the cover page of this prospectus. This creates a short position in our common stock for the Underwriter's own account. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares of common stock over-allotted by the Underwriter is not greater than the number of shares of common stock that they may purchase in the over-allotment option. In a naked short position, the number of shares of common stock involved is greater than the number of shares of common stock in the over-allotment option. To close out a short position, the Underwriter may elect to exercise all or part of the over-allotment option. The Underwriter may also elect to stabilize the price of our common stock or reduce any short position by bidding for, and purchasing, common stock in the open market.

The Underwriter may also impose a penalty bid. This occurs when a particular underwriter or dealer repays selling concessions allowed to it for distributing a security in this offering because the Underwriter repurchases that security in stabilizing or short covering transactions.

Finally, the Underwriter may bid for, and purchase, shares of our common stock in market making transactions, including "passive" market making transactions as described below.

These activities may stabilize or maintain the market price of our common stock at a price that is higher than the price that might otherwise exist in the absence of these activities. The Underwriter are not required to engage in these activities, and may discontinue any of these activities at any time without notice. These transactions may be effected on Nasdaq, in the over-the-counter market, or otherwise.

In connection with this offering, the Underwriter and selling group members, if any, or their affiliates may engage in passive market making transactions in our common stock or Warrants immediately prior to the commencement of sales in this offering, in accordance with Rule 103 of Regulation M under the Exchange Act. Rule 103 generally provides that:

- a passive market maker may not effect transactions or display bids for our common stock in excess of the highest independent bid price by persons who are not passive market makers;
- net purchases by a passive market maker on each day are generally limited to 30% of the passive market maker's average daily trading volume in our common stock during a specified two-month prior period or 200 shares of common stock, whichever is greater, and must be discontinued when that limit is reached; and
- passive market making bids must be identified as such.

Expense Reimbursement

In addition, we have agreed to reimburse the Underwriter for all reasonable out-of-pocket expenses up to $125,000, including but not limited to reasonable legal fees, incurred by the Underwriter in connection with the offering. If the offering is not consummated, we are obligated to reimburse the Underwriter for all such expenses up to a maximum of $30,000.

Our Relationship with the Underwriter

The Underwriter and its affiliates have engaged, and may in the future engage, in investment banking transactions and other commercial dealings in the ordinary course of business with us or our affiliates. It has received, or may in the future receive, customary fees and commissions for these transactions. As of the date hereof, an affiliate of the Underwriter holds 61,193 shares of our common stock, which were issued on May 31, 2019 as compensation for advisory services unrelated to this offering pursuant to an advisory agreement between us and the Underwriter entered into on May 6, 2019.

In addition, in the ordinary course of their business activities, the Underwriter and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The Underwriter and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Indemnification

We have agreed to indemnify the Underwriter against liabilities relating to the offering arising under the Securities Act and the Exchange Act, liabilities arising from breaches of some or all of the representations and warranties contained in the underwriting agreement, and to contribute to payments that the Underwriter may be required to make for these liabilities.

Electronic Distribution

A prospectus in electronic format may be made available on a website maintained by the Underwriter. The Underwriter may agree to allocate a number of shares to underwriters for sale to their online brokerage account holders. In connection with the offering, the Underwriter may distribute prospectuses electronically. No forms of electronic prospectus other than prospectuses that are printable as Adobe® PDF will be used in connection with this offering.

The Underwriter has informed us that it does not expect to confirm sales of shares of common stock offered by this prospectus to accounts over which it exercises discretionary authority.

Other than the prospectus in electronic format, the information on the Underwriter's website and any information contained in any other website maintained by the Underwriter is not part of this prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or the Underwriter in its capacity as underwriter and should not be relied upon by investors.

Foreign Regulatory Restrictions on Purchase of Securities Offered Hereby Generally

No action has been or will be taken in any jurisdiction (except in the United States) that would permit a public offering of the securities offered by this prospectus, or the possession, circulation or distribution of this prospectus or any other material relating to us or the securities offered hereby in any jurisdiction where action for that purpose is required. Accordingly, the securities offered hereby may not be offered or sold, directly or indirectly, and neither of this prospectus nor any other offering material or advertisements in connection with the securities offered hereby may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

The Underwriter may arrange to sell securities offered by this prospectus in certain jurisdictions outside the United States, either directly or through affiliates, where it is permitted to do so. The foregoing does not purport to be a complete statement of the terms and conditions of the underwriting agreement. A copy of the underwriting agreement is included as an exhibit to the Registration Statement of which this prospectus forms a part.

LEGAL MATTERS

Certain legal matters in connection with this offering, including the validity of the shares of our common stock being offered hereby, will be passed upon for us by Foley & Lardner LLP. Certain legal matters in connection with this offering will be passed upon for the underwriter by Harter Secrest & Emery LLP.

EXPERTS

The audited financial statements included in this prospectus and elsewhere in the registration statement have been so included in reliance on the reports of MaloneBailey LLP, independent registered public accountants, upon the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-11 with the SEC for the shares of our common stock we are offering by this prospectus. This prospectus does not include all of the information contained in the registration statement. You should refer to the registration statement and its exhibits for additional information. Whenever we make statements in this prospectus as to the contents of our contracts, agreements or other documents, the statements are not necessarily complete and, where that contract, agreement or other document has been filed as an exhibit to the registration statement, each statement in this prospectus is qualified in all respects by the exhibit to which the statement relates.

You can read our SEC filings, including the registration statement, free of charge on the SEC's website, www.sec.gov.

We maintain a website at https://www.gipreit.com. Information contained on our website is not incorporated by reference into this prospectus, and you should not consider information contained on our website to be part of this prospectus. We will provide each person, including any beneficial owner, to whom this prospectus is delivered, a copy of any or all of the reports or documents that have been incorporated by reference in this prospectus but not delivered with this prospectus. We will provide these reports or documents upon oral or written request to Richard Russell at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602 or by calling (813) 225-4122.

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Generation Income Properties, Inc.
Consolidated Balance Sheets

	As of September 30, 2019 (unaudited)	As of December 31, 2018
Assets		
Investment in real estate		
Property	$ 35,211,186	$ 13,460,084
Tenant improvements	482,701	235,673
Acquired lease intangible assets	2,858,250	932,449
Less accumulated depreciation and amortization	(505,586)	(199,223)
Total investments	38,046,551	14,428,983
Cash and cash equivalents	1,670,413	642,132
Restricted cash	684,800	—
Deferred Rent	39,129	18,008
Prepaid expenses	188,049	9,850
Line of credit costs—net	—	16,624
Escrow deposit and other assets	22,215	111,512
Total Assets	**$ 40,651,157**	**$ 15,227,109**
Liabilities and Stockholder's Equity		
Liabilities		
Accounts payable	$ 131,176	$ 30,339
Accrued expenses	65,090	348,231
Acquired lease intangible liability, net	552,518	102,405
Insurance payable	36,815	
Mortgage loans, net of unamortized discount of $208,050 and $69,256 at September 30, 2019 and December 31, 2018, respectively	26,456,549	9,714,783
Total liabilities	27,242,148	10,195,758
Redeemable Non-Controlling Interest	10,568,050	2,165,634
Stockholders' Equity		
Common stock, $0.01 par value, 100,000,000 shares authorized; 2,100,960 shares issued and outstanding at September 30, 2019 and 1,839,767 at December 31, 2018	21,010	18,398
Additional paid-in capital	4,548,202	3,684,942
Accumulated deficit	(1,728,253)	(837,623)
Total Generation Income Properties, Inc. stockholder's equity	2,840,959	2,865,717
Total Liabilities and Stockholder's Equity	**$ 40,651,157**	**$ 15,227,109**

The accompanying notes are an integral part of these unaudited financial statements.

Generation Income Properties, Inc.
Consolidated Statements of Operations (unaudited)

	Nine Months ended September 30,	
	2019	2018
Revenue		
Rental revenue	$ 795,364	$ 203,426
Reimbursement revenue	61,649	27,410
Total revenue	857,013	230,836
Expenses		
General, administrative and organizational costs	788,913	105,901
Building expenses	50,604	27,683
Depreciation and amortization	306,363	103,319
Interest expense, net	390,983	89,000
Other expenses	85,000	—
Compensation costs	81,371	54,311
Total expenses	1,703,234	380,214
Net Loss	$ (846,221)	$ (149,378)
Less: Net income attributable to Non-controlling interest	44,409	—
Net Loss attributable to Generation Income Properties, Inc.	$ (890,630)	$ (149,378)
Total Weighted Average Shares of Common Shares Outstanding	1,950,084	1,785,517
Basic and Diluted Loss Per Share Attributable to Common Stockholder	$ (0.46)	$ (0.08)

The accompanying notes are an integral part of these unaudited financial statements.

Generation Income Properties, Inc.
Consolidated Statements of Stockholders' Equity
For the Nine Months Ended September 30, 2019 and 2018 (unaudited)

	Common Stock		Additional Paid-In	Accumulated	Generation Income Properties, Inc. Stockholder's	Redeemable Non-Controlling
	Shares	Amount	Capital	Deficit	Equity	Interest
Balance, December 31, 2017	**1,710,807**	**17,108**	**3,466,927**	**(381,803)**	**3,102,232**	**—**
Common stock issued for cash	128,960	1,290	501,609		502,899	
Net loss for the year				(149,378)	(149,378)	
Dividends Paid			(71,082)		(71,082)	
Balance, September 30, 2018	**1,839,767**	**18,398**	**3,897,454**	**(531,181)**	**3,384,671**	**—**
Balance, December 31, 2018	**1,839,767**	**18,398**	**3,684,942**	**(837,623)**	**2,865,717**	**2,165,634**
Common stock issued for cash	200,000	2,000	998,000	—	1,000,000	—
Common stock issued for services	61,193	612	312,385	—	312,997	—
Issuance of Redeemable Preferred Equity for Cash	—	—		—	—	1,200,000
Issuance of Redeemable Operating Partnership Units for Property Acquisitions	—	—	—	—	—	6,998,251
Distribution on Redeemable Preferred Equity	—	—	(167,693)	—	(167,693)	—
Deferred Distribution on Redeemable Preferred Equity			(159,756)		(159,756)	159,756
Dividends Paid on Common Stock	—	—	(119,676)	—	(119,676)	—
Net income (loss) for the year	—	—	—	(890,630)	(890,630)	44,409
Balance, September 30, 2019	**2,100,960**	**21,010**	**4,548,202**	**(1,728,253)**	**2,840,959**	**10,568,050**

The accompanying notes are an integral part of these unaudited financial statements.

Generation Income Properties, Inc.
Consolidated Statements of Cash Flows (unaudited)

	Nine Months ended September 30,	
	2019	2018
OPERATING ACTIVITIES		
Net loss	**$ (846,221)**	**$ (149,378)**
Adjustments to reconcile net loss to cash used in operating activities		
Depreciation	234,156	84,588
Amortization of acquired lease intangible assets	72,207	18,731
Amortization of debt issuance costs	49,131	11,755
Amortization of below market leases	(12,087)	(10,594)
Consulting service expense paid in stock	312,997	—
Changes in operating assets and liabilities		
Other assets	(20,703)	(33,484)
Deferred rent	(21,121)	—
Prepaid expense	(178,199)	—
Accounts payable	100,837	43,189
Accrued expenses	(158,941)	—
Insurance payable	36,815	—
Net cash used in operating activities	**(431,129)**	**(35,193)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of land, buildings, other tangible and intangible assets	(16,463,480)	(3,556,369)
Pre-acquisition costs for purchase of properties	—	(1,927)
Escrow deposits for purchase of properties	110,000	165,000
Net cash used in investing activities	**(16,353,480)**	**(3,393,296)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of stock	1,000,000	644,800
Proceeds from preferred equity	1,200,000	—
Mortgage loan borrowings	16,884,140	3,699,310
Mortgage loan repayments	(3,580)	(176)
Stock issuance cost paid in cash	(124,200)	(184,270)
Repayments on related party payable	—	(44,953)
Debt issuance costs paid by cash	(171,301)	(32,431)
Distribution on redeemable preferred equity	(167,693)	—
Dividends paid on common stock	(119,676)	(71,082)
Net cash generated from financing activities	**18,497,690**	**4,011,198**
NET INCREASE (DECREASE) IN CASH	1,713,081	582,709
CASH—BEGINNING OF YEAR	642,132	482,879
CASH—END OF YEAR	**$ 2,355,213**	**$ 1,065,588**
CASH TRANSACTIONS		
Interest Paid	324,070	103,319
NON-CASH TRANSACTIONS		
Operating partnership units issued for property acquisitions	6,998,251	
Deferred distribution on redeemable preferred equity accrued	159,756	

The accompanying notes are an integral part of these unaudited financial statements.

GENERATION INCOME PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Nature of Operations

Generation Income Properties, Inc. (the "Company") was formed as a Maryland corporation on September 19, 2015 to opportunistically acquire and invest in freestanding, single-tenant commercial properties located primarily in major cities in the United States. The Company is internally managed and intends on net leasing properties to investment grade tenants.

The Company formed Generation Income Properties L.P. (the "Operating Partnership") in October 2015. Substantially all of the Company's assets will be held by, and operations will be conducted through the Operating Partnership. The Company will be the general partner of the Operating Partnership which has a current ownership of 59.30%. The Company formed a Maryland entity GIP REIT OP Limited LLC in 2018 that owns 0.01% of the Operating Partnership.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The information furnished reflects all adjustments, consisting only of normal recurring items which are, in the opinion of management, necessary in order to make the financial statements not misleading. Certain information and footnote disclosures normally present in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") were omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the audited financial statements and footnotes included in the Company's Annual Report on Form 1-A filed with the SEC on April 30, 2019. The results for the nine months ended September 30, 2019, are not necessarily indicative of the results to be expected for the year ending December 31, 2019.

The Company adopted the calendar year as its basis of reporting.

Consolidation

The accompanying consolidated financial statements include the accounts of Generation Income Properties, Inc. and the Operating Partnership and all of the direct and indirect wholly-owned subsidiaries of the Operating Partnership and the Company's subsidiaries. All significant inter-company balances and transactions have been eliminated in the consolidated financial statements.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation.

Revenue Recognition

We recognize rental income and other investment income as earned over the terms of the related leases and notes, respectively.

We have determined that all of our leases should be accounted for as operating leases. Our operating leases generally contain provisions for specified rent increases during the lifetime of the lease. Revenue under lease arrangements with minimum fixed and determinable increases is recognized over the non-cancellable term of the lease on a straight-line basis.

In 2014, the FASB issued ASU2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), which outlines a comprehensive model for entities to use in accounting for revenue arising from contracts with customers. ASU 2014-09 states that "an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." While ASU 2014-09 specifically references contracts with customers, it may apply to certain other transactions such as the sale of real estate or equipment. ASU 2014-09 is effective for the Company beginning January 1, 2018. In addition, the FASB has begun to issue targeted updates to clarify specific implementation issues of ASU 2014-09. These updates include ASU 2016-08, *Principal versus Agent Considerations (Reporting Revenue Gross versus Net),* ASU 2016-10, *Identifying Performance Obligations and Licensing,* and ASU 2016-12, *Narrow-Scope Improvements and Practical Expedients.* The Company adopted ASU 2014-09 and its subsequent updates in accordance with the modified retrospective approach. The Company has completed its analysis of ASU 2014-09 and its related updates and has determined that its adoption did not have a material impact on our consolidated financial statements, as all of our revenue consists of rental income from leasing arrangements which are specifically excluded from ASU 2014-09 and its updates.

Other expenses

During the nine months ended September 30, 2019, the Company agreed to a $85,000 settlement for the termination of an agreement which had allowed for the opportunity to develop single tenant, net lease buildings throughout the U.S. over the next several years. The Company decided to terminate this agreement due to the inability to agree to terms on the development of individual locations.

Recently Adopted Accounting Pronouncements

In February 2016, the FASB issued ASU2016-02, *Leases* ("ASU 2016-02"), which amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. ASU 2016-02 will be effective for the Company beginning January 1, 2019. The new standard was adopted using a modified retrospective method. Based on the election of the package of practical expedients, the Company has determined that its leases where it is the lessor will continue to be accounted for as operating leases under the new standard. Further, the Company has elected the practical expedient to not separate non-lease components from lease components. Therefore, as of January 1, 2019, for the Company's leases where it is the lessor, the Company does not anticipate changes in the accounting for its lease revenues and expenses. The Company's office lease where it is the lessee is scoped out from ASU 2016-02 as it is a month-month lease.

In June 2018, the FASB issued ASU2018-07, "Compensation—Stock Compensation (Topic 718): Improvement to Nonemployee Share-Based Payment Accounting," which intended to reduce cost and complexity and to improve financial reporting for share-based payments issued to nonemployees (for example, service providers, external legal counsel, suppliers, etc.). ASU 2018-07 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The amendments in this update are required to be applied prospectively to stock awards issued to nonemployees on or after the adoption date. This standard became effective for the Company on January 1, 2019. This standard did not have a material impact on the Company's previously issued consolidated financial statements.

Note 3 – Investments in Real Estate

The Company's real estate is comprised of the following:

	As of September 30, 2019	As of December 31, 2018
Property	$ 35,211,186	$ 13,460,084
Tenant improvements	482,701	235,673
Acquired lease intangible assets	2,858,250	932,449
Total	38,552,137	14,628,206
Less accumulated depreciation and amortization	(505,586)	(199,223)
Total investments	$ 38,046,551	$ 14,428,983

Depreciation and amortization expense for the nine months ended September 30, 2019 and 2018 was $306,363 and $103,319, respectively.

The Company acquired three properties during the nine-month period ended September 30, 2019.

	Property 1 (a)	Property 2 (b)	Property 3 (c)	Total
Property	$ 4,542,275	$10,679,080	$ 6,529,747	$21,751,102
Tenant improvements	—	174,876	72,152	247,028
Acquired lease intangible assets	298,230	1,014,280	613,291	1,925,801
Total investments	4,840,505	11,868,236	7,215,190	23,923,931
Less acquired lease intangible liability	(252,349)	(209,851)	—	(462,200)
Total investments	$ 4,588,156	$11,658,385	$ 7,215,190	$23,461,731
Purchase/Contribution value before closing costs	$ 4,543,188	$11,454,200	$ 7,100,000	$23,097,388

(a) Property 1 was purchased on September 11, 2019 using a $1,200,000 capital contribution relating to a redeemable non-controlling interest and debt of $3,407,391. See Note 6.

(b) Property 2 was contributed into the Company on September 30, 2019 for 993,000 common units in the Operating Partnership at a $5.00 per unit price valued in total for $4,965,000, $821,715 in cash and the assumption of $6,013,285 in existing debt. The Company refinanced the debt to $8,260,000 which allowed the Company to receive $1,856,209 of cash.

(c) Property 3 was contributed into the Company on September 30, 2019 for 406,650 common units in the Operating Partnership at a $5.00 per unit price valued in total for $2,033,250, $100,000 in cash, and the assumption of $4,966,749 in existing debt. The Company increased the debt by $250,000 to pay for certain closing costs which allowed the Company to receive $193,688 of cash.

The purchase price of the asset acquisitions were allocated to land, building, tenant improvement and acquired lease intangible assets and liabilities based on management's estimate.

Note 4 – Acquired Lease Intangible Asset, net

Intangible assets, net is comprised of the following:

	As of September 30, 2019	As of December 31, 2018
Acquired lease intangible assets	2,858,250	932,449
Accumulated amortization	(108,132)	(35,925)
Acquired lease intangible assets, net	$ 2,750,118	$ 896,524

The amortization for lease intangible assets for the nine months ended September 30, 2019 and 2018 was $72,207 and $18,731, respectively.

Note 5 – Acquired Lease Intangible Liability, net

Acquired lease intangible liability is comprised of the following:

	As of September 30, 2019	As of December 31, 2018
Acquired lease intangible liability	$ 585,792	$ 123,592
Less: recognized rental income	(33,274)	(21,187)
Total below market lease, net	$ 552,518	$ 102,405

The amortization for below market leases for the nine months ended September 30, 2019 and 2018 was $12,087 and $10,594, respectively.

Note 6 – Redeemable Non-Controlling Interests

As part of the Company's acquisition of a building for $8.3 million in Huntsville, AL, one of the Company's operating subsidiaries entered into a preferred equity agreement with TC Huntsville, LLC on December 20, 2018 pursuant to which the Company's subsidiary received a capital contribution of $2,197,082. Pursuant to the agreement, the Company will pay the preferred equity member a 10% IRR on a monthly basis, pay an additional 10% IRR on a deferred basis after 24 months and redeem the entire amount due after 24 months at the option of the preferred equity member. The redemption amount is increased by approximately $18,309 per month. The Operating Partnership, Generation Income Properties, LP, is the general manager of the subsidiary while TC Huntsville, LLC is a preferred member. Because of the redemption right, the non-controlling interest in presented as temporary equity at redemption value. The current redemption amount is $2,369,799 which includes the initial approximately $2.2 million capital contribution plus approximately $160 thousand deferred 10% return. Distributable operating funds are distributed first to TC Huntsville, LLC until the unpaid preferred return is paid off and then to the Company. Income is allocated 50% to the Company and 50% to TC Huntsville, LLC. For the nine months ended September 30, 2019, the Company paid TC Huntsville, LLC $167,693 in preferred distributions.

As part of the Company's acquisition of a building for $4.5 million in Cocoa, FL, one of the Company's operating subsidiaries entered into a preferred equity agreement with Brown Family Trust on September 11, 2019 pursuant to which the Company's subsidiary received a capital contribution of $1,200,000. Pursuant to the agreement, the Company will pay the preferred equity member a 10% IRR on a monthly basis and redeem the entire amount due after 24 months at the option of the preferred equity member. The Operating Partnership, Generation Income Properties, LP, is the general manager of the subsidiary while Brown Family Trust is a preferred member. Because of the redemption right, the non-controlling interest in presented as temporary equity at redemption value. The current redemption amount is $1,200,000. Distributable operating funds are distributed first to Brown Family Trust until the unpaid preferred return is paid off and then to the Company. Income is allocated 100% to the Company. There were no preferred distributions paid on this interest for the nine months ended September 30, 2019.

As part of the Company's acquisition of two buildings on September 30, 2019 for $18.6 million in Norfolk, VA, the Operating Partnership entered into contribution agreements with two entities that resulted in the issuance of 1,399,650 common units in Operating Partnership at $5.00 per share for a total value of $6,998,250 or 40.7% in our Operating Partnership. The contribution agreement allows for the two entities to require the Operating Partnership to redeem, all or a portion of its units for either (i) the Redemption Amount (within the meaning of the Partnership Agreement), or (ii) until forty nine (49) months from date of Closing, cash in an agreed-upon Value (within the meaning of the Partnership Agreement) of $5.00 per share of common stock of the Company, as set forth on the Notice of Redemption. As such, the Company has determined their equity should be classified as a Redeemable Non-

Controlling Interest.

Note 7 – Equity

The Company is authorized to issue up to 100,000,000 shares of common stock and 10,000,000 of undesignated preferred stock. No preferred shares have been issued as of the date of this report. Holders of the Company's common stock are entitled to receive dividends when authorized by the Company's board of directors.

On April 25, 2019, the Company raised $1,000,000 by issuing 200,000 Units with each Unit being comprised of one share of its Common Stock, and one warrant to purchase one share of its Common Stock (the "Common Warrants"). Each Unit was sold for a price of $5.00 per Unit. The shares of the Company's Common Stock and Common Warrants included in the Units, were offered together, but the securities included in the Units are issued separately. The Common Warrants are immediately exercisable at a price of $5.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

On May 31, 2019 we issued 61,193 shares of our common stock for financial advisory and investment banker services reflected as an expense of approximately $305,965 for the nine months ended September 30, 2019.

On July 17, 2019, the board of directors granted 10,000 restricted shares to each of the two independent directors' that will vest every 12 months on an annual basis over 36 months. The pro-rated vested shares will be issued upon the annual anniversary of the award. The Company recognized stock compensation expense for the nine months ended September 30, 2019 and 2018 of $7,032 and $0, respectively.

The Company paid $124,200 in stock issuance costs during the nine months ended September 30, 2019 (which were incurred and accrued in the prior year) and $184,270 for the nine months ended September 30, 2018.

On May 20, 2019, our board of directors authorized a $0.105 per share cash dividend for shareholders of record of the Company's common stock as of May 1, 2019. On June 15, 2019, the Company paid the $119,676 dividend to its shareholders. David Sobelman, our president and founder and owner of approximately 44% of the Company's common stock outstanding as of the record date, waived his right to receive a dividend for this period.

While we are under no obligation to do so, we expect to declare and pay dividends to our stockholders; our board of directors may declare a dividend as circumstances dictate. The issuance of a dividend will be determined by our board of directors based on our financial condition and such other factors as our board of directors deems relevant. We have not established a minimum dividend, and our charter does not require that we issue dividends to our stockholders other than as necessary to meet IRS REIT qualification standards.

Note 8 – Leases

Future Minimum Rents

The following table presents future minimum base rental cash payments due to the Company over the next five calendar years and thereafter as of September 30, 2019:

	As of September 30, 2019
FY 2019 (3 months)	$ 811,000
FY 2020	3,259,000
FY 2021	3,258,000
FY 2022	2,928,000
FY 2023	2,943,000
FY 2024	2,938,000
Thereafter	10,504,000
	$26,641,000

Note 9 – Promissory Notes

	Interest Rate	Maturity Date	As of September 30, 2019	As of December 31, 2018
Promissory note issued for $3,700,000 by a financial institution, bearing interest at and interest payments due monthly of approximately $14,000. Note was issued on April 4, 2018 and can be prepaid at any time without penalty. Secured by our 7-Eleven property and our Starbucks property.	4.6289% adjusted monthly based on 30 day LIBOR plus 225 basis points	4/4/2020	$ 3,683,052	$ 3,684,039
Promissory note issued for $6,100,000 by a financial institution, interest and principal payments due monthly of approximately $25,000. Note was issued on December 20, 2018 and can be prepaid at any time without penalty. Secured by our Pratt and Whitney property.	4.7394% adjusted monthly based on 30 day LIBOR plus 225 basis points	12/20/2020	$ 6,097,407	6,100,000
Promissory note issued for $3,407,391 by a financial institution, interest and principal payments due monthly of approximately $25,000. Note was issued on September 11, 2019 and can be prepaid at any time without penalty. Secured by our Walgreen—Cocoa, Florida property	4.17% adjusted monthly based on 30 day LIBOR plus 225 basis points	9/11/2021	$ 3,407,391	—
Promissory note issued for $8,260,000 by a financial institution, interest and principal payments due monthly of approximately $44,800. Note was issued on September 30, 2019 and can be prepaid at any time without penalty. Secured by our GSA/Maersk—Norfolk, Virginia property	4.25%	9/30/2024	$ 8,260,000	—
Promissory note issued for $5,216,749 by a financial institution, interest and principal payments due monthly of approximately $29,600. Note was originally issued on October 23, 2017 and modified on September 30, 2019 and can be prepaid at any time without penalty. Secured by our PRA—Norfolk, Virginia property	4.25%	10/23/2024	$ 5,216,749	—
Less: debt issuance costs, net			(208,050)	(69,256)
			$ 26,456,549	**$ 9,714,783**

The Company amortized debt issuance costs during the nine-month periods ended September 30, 2019 and 2018 to interest expense of $32,507 and $8,106, respectively. The Company incurred debt issuance costs for the nine months ended September 30, 2019 of $171,301.

As of September 30, 2019, we had five promissory notes totaling approximately $26.7 million of which three promissory notes totaling approximately $13.2 million require Debt Service Coverage Ratios (also known as “DSCR”) of 1.10:1.0 and two promissory notes totaling $13.5 million require Debt Service Coverage Ratios of 1.25:1.0.

Our President has personally guaranteed the repayment of up to fifty percent of the outstanding principal due under the DC/Tampa, Pratt & Whitney and Cocoa, FL American Momentum Loans. The American Momentum loans total approximately $13.2 million. Our President has also provided a guaranty of the Borrower’s nonrecourse carveout liabilities and obligations in favor of Bayport Credit Union. The Bayport Credit Union loans total approximately $13.5 million.

Minimum required principal payments on the Company’s debt as of September 30, 2019 are as follows:

	As of September 30, 2019
2019	$ 80,288
2020	10,110,263
2021	3,751,488
2022	359,010
2023	374,568
2024	11,988,982
Total below market lease, net	$26,664,599

In September 2017, we received a $5,000,000 revolving line of credit from a commercial bank. We have never utilized any of our line of credit and it expired September 30, 2019. During the nine months ended September 30, 2019 and 2018, the Company amortized $16,624 and $3,649, respectively of line of credit costs to interest expense.

We intend to repay amounts outstanding under any credit facilities as soon as reasonably possible. No assurance can be given that we will be able to obtain additional credit facilities. We anticipate arranging and utilizing additional revolving credit facilities to potentially fund future acquisitions (following investment of the net proceeds of our offerings), return on investment initiatives and working capital requirements.

Note 10 – Related Party

The Company engages 3 Properties (a brokerage and asset manager company) that is owned 100% by David Sobelman, our CEO and majority shareholder, when it purchases properties and to manage properties. For the nine months ended September 30, 2019 and 2018, we paid 3 Properties $12,935 and $876, respectively for asset management services related to the property owned by GIP. No other fees were paid by the Company to 3 Properties for the nine months ended September 30, 2019 or 2018.

The sellers of properties acquired by the Company have paid 3 Properties $230,224 and $0 for the nine months ended September 30, 2019 and September 30, 2018, respectively in brokerage fees for the acquisition of various properties identified for us by 3 Properties.

Note 11 – Commitments and Contingencies

As of September 30, 2019, we had one outstanding agreement to acquire a property:

- A purchase agreement on August 24, 2018, (amended on November 21, 2018) for an approximately5,800-square-foot free-standing condominium solely occupied by a federal entity. The single-tenant property in a coastal area of North Carolina is under contract for a total consideration of approximately $1.7 million. The Company anticipates acquiring the property in March 2020.

Note 12 – Change of Prior Year Information

During the review of the Company's consolidated financial statements for the nine months ended September 30, 2019, the Company identified that the $2.2 million of Minority Interest should have been classified as Redeemable Non-Controlling Interest. This change would move $2.2 million from Total stockholders' equity into a non-permanent equity line separately stated as Redeemable Non-Controlling Interest. This reclassification does not impact previously reported Consolidated Statement of Operations or the Consolidated Statement of Cash Flows. The Company also reclassified $71,082 of dividends paid on common stock from accumulated deficit to Additional Paid in Capital for the nine months ended September 30, 2018 and $159,394 for the twelve months ended December 31, 2018.

This resulted in an adjustment to the previously reported amounts in the financial statements of the Company for the year ended December 31, 2018. In accordance with the SEC's Staff Accounting Bulletin Nos. 99 and 108 (SAB 99 and SAB 108), the Company evaluated this error and, based on an analysis of quantitative and qualitative factors, determined that the error was immaterial to the prior reporting periods affected.

However, if the adjustments to correct the cumulative effect of the above error had been recorded in the nine months ended September 30, 2019, the Company believes the impact would have been significant and would impact comparisons to prior periods. Therefore, as permitted by SAB 108, the Company corrected, in the current filing, previously reported results of the Company as of December 31, 2018.

The following table presents the impact of the correction on the Balance Sheet as of December, 31, 2018:

	As of December 31, 2018		
	As Previously Reported	Adjustment	As Adjusted
ASSETS			
Investment in real estate			
Property	$13,460,084		$13,460,084
Tenant improvements	235,673		235,673
Acquired lease intangible assets	932,449		932,449
Less accumulated depreciation and amortization	(199,223)		(199,223)
Total investments	14,428,983		14,428,983
Cash and cash equivalents	642,132		642,132
Deferred Rent	18,008		18,008
Prepaid expenses	9,850		9,850
Line of credit costs—net	16,624		16,624
Escrow deposit and other assets	111,512		111,512
TOTAL ASSETS	**$15,227,109**		**$15,227,109**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities			
Accounts payable	$ 30,339		$ 30,339
Accrued expenses	348,231		348,231
Acquired lease intangible liability, net	102,405		102,405
Other liabilities			—
Mortgage loans, net of unamortized discount of $48,646 and $69,256 at September 30, 2019 and December 31, 2018, respectively	9,714,783		9,714,783
Total liabilities	10,195,758		10,195,758
Redeemable Non-Controlling Interest	—	2,165,634	2,165,634
Stockholders' Equity			
Common stock, $0.01 par value, 100,000,000 shares authorized; 2,100,960 shares issued and outstanding at September 30, 2019 and 1,839,767 at December 31, 2018	18,398		18,398
Additional paid-in capital	3,844,336	(159,394)	3,684,942
Accumulated deficit	(997,017)	159,394	(837,623)
Total Generation Income Properties, Inc. stockholders' equity	2,865,717		2,865,717
Non-Controlling Interest	2,165,634	(2,165,634)	—
Total stockholders' equity	3,025,111		2,865,717
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$15,386,503**		**$15,386,503**

Note 13 – Subsequent Events

On October 18, 2019, our board of directors authorized a $0.105 per share cash dividend for shareholders of record of the Company's common stock as of October 1, 2019. On November 15, 2019, the Company paid the $126,100 dividend to its shareholders. David Sobelman, our president and founder and owner of approximately 42.8% of the Company's common stock outstanding as of the record date, waived his right to receive a dividend for this period.

David Sobelman. Effective December 20, 2019, we entered into an employment agreement with David Sobelman to serve as our Chief Executive Officer, President and Secretary. The employment agreement is for a term of 5 years and shall automatically renew annually thereafter unless either party provides written notice of its intention not to extend the agreement at least ninety days prior to the then termination date. Pursuant to the employment agreement, Mr. Sobelman will have an initial annual base salary of $100,000 (subject to increase or decrease at the discretion of our Board), will be eligible to earn an annual bonus as determined by our Board and will be eligible to participate in any benefit programs in effect from time to time that are made available to similarly situated employees. In the event of a termination other than for "Cause", as defined below, Mr. Sobelman will be entitled to cash in the amount of his base salary and any bonus earned up to the date of termination. In addition, provided that he grants a release of claims to us, Mr. Sobelman would be entitled to cash in the amount of his salary payable in monthly installments through the earlier of (1) the end of the initial term of the employment agreement and (2) 36 months after the 30th day after he is terminated. In the event of a termination for "Cause", Mr. Sobelman will be entitled to cash in an amount equal to his base salary earned up to the date of termination. In the event of a termination due to death or disability, Mr. Sobelman will be entitled to cash in an amount equal to his six months of his base salary payable in monthly installments thereafter. During his employment with us and for twelve months thereafter, Mr. Sobelman agreed not to compete with us within the State of Florida or to solicit our employees or other related parties.

The employment agreement defines "Cause" as (1) the commission of a willful act of dishonesty in the course of performing duties, (2) conviction by a court of competent jurisdiction of, or plea of no contest to, a crime constituting a felony or conviction in respect of, or plea of no contest to, any act involving fraud, dishonesty or moral turpitude (3) the refusal to perform duties and responsibilities or to carry out the lawful directives of the Board, which, if capable of being cured shall not have been cured, within 30 days after we provide written notice of our intention to terminate his employment, or (4) material non-compliance with the terms of the employment agreement, our policies, or any other agreement between us, which, if capable of being cured, shall not have been cured within 30 days thereafter.

Richard Russell. Effective December 20, 2019, we entered into anat-will employment agreement with Richard Russell to serve as our Chief Financial Officer. Pursuant to the employment agreement, Mr. Russell will be paid $175 per hour, will be eligible to earn discretionary bonuses and will be eligible to participate in an equity incentive plan to be established by us in the future, pursuant to which it is anticipated that Mr. Russell will receive an initial equity grant equal to 30,000 shares of restricted stock vesting in equal annual installments over a three-year period. The employment agreement further provides that Mr. Russell shall not work more than 20 hours in any week without the prior written consent of our Chief Executive Officer. During his

employment with us and for twelve months thereafter, Mr. Russell agreed not to compete with us within the State of Florida or to solicit our employees or other related parties.

On December 16, 2019, our Operating Partnership issued a secured non-convertible promissory note to the Clearlake Preferred Member for $1.9 million that is due on December 16, 2021 and bears an interest rate of 10%. The loan is repayable without penalty at any time. The loan is secured by all of the personal and fixture property assets of the Operating Partnership. On December 18, 2019, we redeemed 100% of the Alabama Preferred Member's membership interests in the Alabama Subsidiary for approximately $2.4 million in cash, using existing cash and the proceeds from the $1.9 million secured non-convertible promissory note.

On January 31, 2020, our board of directors authorized a $.0875 per share cash dividend for shareholders of record of the Company's common stock as of February 28, 2020. David Sobelman, our president and founder and owner of approximately 42.8% of the Company's common stock outstanding as of the record date, waived his right to receive a dividend for this period.

On February 3, 2020, the Company appointed Betsy Peck and Stuart Eisenberg to the Board of Directors. In addition, on February 3, 2020, the Company granted (i) 25,000 shares of restricted stock to Rick Russell vesting 1/3 annually subject to continued service pursuant to a restricted stock award agreement and (ii) 10,000 shares of restricted stock to each of Betsy Peck and Stuart Eisenberg vesting 1/3 annually subject to continued service pursuant to restricted stock award agreements.

On February 11, 2020, the Company obtained a $11.3 million loan from DBR Investments Co. Limited and used the proceeds (i) to refinance the $3.7 million note secured by our 7-Eleven property and our Starbucks Property, (ii) to refinance the $6.1 million note secured by our Pratt and Whitney Property, (iii) to prepay a portion of the outstanding principal of the $1.9 million secured, non-convertible promissory note issued by our Operating Partnership and (iv) for working capital purposes. The $11.3 million loan is secured by first priority mortgages on our 7-Eleven property, our Starbucks property and our Pratt and Whitney property.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and board of directors of
Generation Income Properties, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Generation Income Properties, Inc. and its subsidiaries (collectively, the "Company") as of December 31, 2018 and 2017, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended, and the related notes and schedule III (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ MaloneBailey, LLP
www.malonebailey.com
We have served as the Company's auditor since 2017.
Houston, Texas
April 30, 2019, except for Note 8 and schedule III which are dated December 26, 2019

Generation Income Properties, Inc.

Consolidated Balance Sheets

	As of December 31, 2018	As of December 31, 2017
ASSETS		
Investment in real estate		
Property	$13,460,084	$2,432,570
Tenant improvements	235,673	146,765
Acquired lease intangible assets	932,449	121,017
Less accumulated depreciation and amortization	(199,223)	(45,654)
Total investments	14,428,983	2,654,698
Cash	642,132	482,879
Deferred rent	18,008	—
Prepaid expenses	9,850	—
Line of credit costs—net	16,624	21,489
Escrow deposit and other assets	111,512	200,561
TOTAL ASSETS	**$15,227,109**	**$3,359,627**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable	$ 30,339	$ 3,768
Accrued expenses	348,231	50,000
Due to stockholder and related party	—	87,097
Acquired lease intangible liability, net	102,405	116,530
Mortgage loans, net of unamortized discount of $69,256 and $0 at December 31, 2018 and 2017, respectively	9,714,783	—
Total liabilities	10,195,758	257,395
Redeemable Non-Controlling Interests	**2,165,634**	**—**
Stockholders' Equity		
Common stock, $0.01 par value, 100,000,000 shares authorized; 1,838,767 shares issued and outstanding at December 31, 2018 and 1,710,807 at December 31, 2017	18,398	17,108
Additional paid-in capital	3,684,942	3,466,927
Accumulated deficit	(837,623)	(381,803)
Total Generation Income Properties, Inc. stockholder's equity	2,865,717	3,102,232
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$15,227,109**	**$3,359,627**

The accompanying notes are an integral part of these consolidated financial statements.

Generation Income Properties, Inc.

Consolidated Statements of Operations

	Years ended December 31,	
	2018	2017
REVENUE		
Rental revenue	$ 296,330	$ 66,718
EXPENSES		
General, administrative and organizational costs	396,832	114,503
Depreciation and amortization	153,569	45,654
Interest expense, net	145,107	2,714
Compensation costs	81,377	—
Total expenses	776,885	162,871
NET LOSS	$ (480,555)	$ (96,153)
Less: Net loss attributable to Non-Controlling interest	(24,735)	—
Net Loss attributable to Generation Income Properties, Inc.	$ (455,820)	$ (96,153)
TOTAL WEIGHTED AVERAGE SHARES OF COMMON SHARES OUTSTANDING	1,812,660	1,587,939
BASIC AND DILUTED LOSS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ (0.25)	$ (0.06)

The accompanying notes are an integral part of these consolidated financial statements.

Generation Income Properties, Inc.

Consolidated Statements of Stockholders' Equity

	Common Stock		Additional Paid-In	Accumulated	Generation Income Stockholder's	Redeemable Non-Controlling
	Shares	Amount	Capital	Deficit	Equity	Interest
Balance, December 31, 2016	**1,176,700**	**$11,767**	**$ 881,733**	**$ (285,650)**	**$ 607,850**	**$ —**
Common stock issued for cash	534,107	5,341	2,585,194	—	2,590,535	—
Net loss for the year ended December 31, 2017	—	—	—	(96,153)	(96,153)	—
Balance, December 31, 2017	**1,710,807**	**17,108**	**3,466,927**	**(381,803)**	**3,102,232**	**—**
Non-controlling interest issued for cash	—	—	—	—	—	2,197,082
Distribution on non-controlling interest	—	—	—	—	—	(6,713)
Common stock issued for cash	128,960	1,290	643,510	—	644,800	—
Offering costs	—	—	(266,101)	—	(266,101)	—
Net loss for the year ended December 31, 2018	—	—	—	(455,820)	(455,820)	(24,735)
Dividends paid	—	—	(159,394)	—	(159,394)	—
Balance, December 31, 2018	**1,839,767**	**$18,398**	**$3,684,942**	**$ (837,623)**	**$ 2,865,717**	**$2,165,634**

The accompanying notes are an integral part of these consolidated financial statements.

Generation Income Properties, Inc.

Consolidated Statements of Cash Flows

	Years ended December 31,	
	2018	2017
OPERATING ACTIVITIES		
Net loss	**$ (480,555)**	**$ (96,153)**
Adjustments to reconcile net loss to cash used in operating activities		
Depreciation	124,562	38,736
Amortization of debt issuance costs	18,066	2,714
Amortization of acquired lease intangible assets	29,007	6,918
Amortization of below market leases	(14,125)	(7,062)
Changes in operating assets and liabilities		
Accounts receivable	561	(561)
Other assets	(1,512)	—
Deferred rent	(18,008)	—
Prepaid expense	(9,850)	—
Accounts payable and accrued expenses	243,889	3,328
Net cash used in operating activities	**(107,965)**	**(52,080)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of land, buildings, other tangible and intangible assets	(11,927,854)	(2,574,833)
Pre-acquisition costs for purchase of properties	—	(1,927)
Escrow deposits for purchase of properties	90,000	(200,000)
Net cash used in investing activities	**(11,837,854)**	**(2,776,760)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of stock	644,800	2,670,535
Proceeds from issuance of non-controlling interest	2,197,082	—
Debt borrowings	9,800,000	—
Debt repayments	(15,961)	—
Dividends paid	(159,394)	—
Stock issuance cost paid in cash	(191,901)	(30,000)
(Repayments) borrowings on related party payable	(87,097)	2,805
Debt issuance costs paid in cash	(82,457)	(24,203)
Net cash provided by financing activities	**12,105,072**	**2,619,137**
NET INCREASE (DECREASE) IN CASH	159,253	(209,703)
CASH—BEGINNING OF YEAR	482,879	692,582
CASH—END OF YEAR	**$ 642,132**	**$ 482,879**
NON-CASH TRANSACTIONS		
Stock issuance costs on account	124,200	50,000
Payments on non-controlling interest	6,713	—
CASH TRANSACTIONS		
Interest paid	123,323	—

The accompanying notes are an integral part of these consolidated financial statements.

Generation Income Properties, Inc.
Notes to Consolidated Financial Statements

Note 1 – Organization

Generation Income Properties, Inc. (the "Company") was formed as a Maryland corporation on June 19, 2015 to opportunistically acquire and invest in freestanding, single-tenant commercial properties located primarily in major cities in the United States. The Company is internally managed and intends on net leasing properties to investment grade tenants.

The Company formed Generation Income Properties L.P. (the "Operating Partnership") in October 2015. Substantially all of the Company's assets will be held by, and operations will be conducted through the Operating Partnership. The Company will be the general partner of the Operating Partnership with an ownership of 99.99%. The Company formed a Maryland entity GIP REIT OP Limited LLC in 2018 that owns 0.01% of the Operating Partnership.

On March 8, 2017, the Company formed GIPDC 3707 14th ST, LLC, a wholly owned subsidiary of the Operating Partnership, and closed an acquisition for approximately $2.6 million including closing costs.

On June 13, 2017, the Company formed GIPFL 1300 S Dale Mabry, LLC, a wholly owned subsidiary of our Operating Partnership, which had no activity during the year ended December 31, 2017 but closed an acquisition on April 4, 2018 for approximately $3.6 million including closing costs.

On November 29, 2018, the Company formed GIPAL JV 15091 SW ALABAMA 20, which closed an acquisition on December 20, 2018 for approximately $8.4 million including closing costs. The Company entered into a joint venture with TC Huntsville, LLC ("TC Huntsville") contributed $2.2 million to help purchase this acquisition. TC Huntsville will be paid each month in cash a 10% return on their investment and earn an additional deferred 10% return that is paid at the end of the term of this agreement. As of December 31, 2018, the Company has accrued $6,713 distribution to TC Huntsville. The Company and TC Huntsville will generally share profits and losses on a 50/50 basis. The Company is the general manager of the property and has operating decision on all aspects of this venture. As such the Company consolidates this joint venture.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying balance sheet, statement of operations and statement of cash flows and related notes to the financial statements of the Company are prepared on the accrual basis of accounting and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The Company adopted the calendar year as its basis of reporting.

Consolidation

The accompanying consolidated financial statements include the accounts of Generation Income Properties, Inc. and the Operating Partnership and all of the direct and indirect wholly-owned subsidiaries of the Operating Partnership and the Company's subsidiaries. All significant inter-company balances and transactions have been eliminated in the consolidated financial statements.

Cash

Cash consists of amounts that the Company has on deposit with a major commercial financial institution.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

We have not qualified as a REIT to date and will not be able to satisfy the requirements of operating as a REIT until after this offering closes. The Company intends to operate and be taxed as a real estate investment trust ("REIT") under Section 856 through 860 of the Internal Revenue Code ("Code"), commencing with our taxable year ending December 31, 2020. To qualify as a REIT, the Company must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of its taxable income to its stockholders. As a REIT, the Company generally is not subject to federal corporate income tax on that portion of its taxable income that is currently distributed to stockholders.

We account for deferred income taxes using the asset and liability method and recognize deferred tax assets and liabilities for the expected future tax consequences of events that have been included in our financial statements or tax returns. Under this method, we determine deferred tax assets and liabilities based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Any increase or decrease in the deferred tax liability that results from a change in circumstances, and that causes us to change our judgment about expected future tax consequences of events, is included in the tax provision when such changes occur. Deferred income taxes also reflect the impact of operating loss and tax credit carryforwards. A valuation allowance is provided if we believe it is more likely than not that all or some portion of the deferred tax asset will not be realized. Any increase or decrease in the valuation allowance that results from a change in circumstances, and that causes us to change our judgment about the realizability of the related deferred tax asset, is included in the tax provision when such changes occur.

Revenue Recognition

We recognize rental income and other investment income as earned over the terms of the related leases and notes, respectively.

We have determined that all of our leases should be accounted for as operating leases. Our operating leases generally contain provisions for specified rent increases during the lifetime of the lease. Revenue under lease arrangements with minimum fixed and determinable increases is recognized over the non-cancellable term of the lease on a straight-line basis.

In 2014, the FASB issued ASU2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), which outlines a comprehensive model for entities to use in accounting for revenue arising from contracts with customers. ASU 2014-09 states that "an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." While ASU 2014-09 specifically references contracts with customers, it may apply to certain other transactions such as the sale of real estate or equipment. ASU 2014-09 is effective for the Company beginning January 1, 2018. In addition, the FASB has begun to issue targeted updates to clarify specific implementation issues of ASU 2014-09. These updates include ASU 2016-08, *Principal versus Agent Considerations (Reporting Revenue Gross versus Net),* ASU 2016-10, *Identifying Performance Obligations and Licensing,* and ASU 2016-12, *Narrow-Scope Improvements and Practical Expedients.* The Company adopted ASU 2014-09 and its subsequent updates in accordance with the modified retrospective approach. The Company has completed its analysis of ASU 2014-09 and its related updates and has determined that its adoption did not have a material impact on our consolidated financial statements, as all of our revenue consists of rental income from leasing arrangements which are specifically excluded from ASU 2014-09 and its updates.

Escrow Deposit

The Company records deposits for purchases of property at cost. As of December 31, 2018, the Company had $110,000 deposit in escrow deposits for a property, which was subsequently returned in fiscal year 2019 when the deal to purchase the property was cancelled. As of December 31, 2017, the Company had $200,000 in escrow deposits for a property purchased on April 4, 2018.

Real Estate

Acquisitions of real estate are recorded at cost. Depreciation is provided over the estimated useful life(40-50 years) using the straight-line method and intangible over the remaining lease term.

Purchase Price Assignment

The Company assigns the purchase price of real estate to tangible and intangible assets and liabilities based on fair value. Tangible assets consist of land and buildings. Intangible assets and liabilities consist of the value of in-place leases and below market leases assumed with the acquisition. The Company assessed whether the purchase of the building falls within the definition of a business under ASC 805 and concluded that all asset transactions were an asset acquisition, therefore it was recorded at the purchase price, including capitalized acquisition costs, which is allocated to land, building, tenant improvements and intangible assets and liabilities based upon their relative fair values at the date of acquisition.

In January 2017, the FASB issued ASUNo. 2017-01, Business Combinations – Clarifying the Definition of a Business. ASU2017-01 clarifies that to be considered a business, the elements must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The new standard illustrates the circumstances under which real estate with in-place leases would be considered a business and provides guidance for the identification of assets and liabilities in purchase accounting. ASU 2017-01 is effective for periods beginning after December 15, 2017 and early adoption is permitted. The Company early adopted the new standard as of December 31, 2017 and accounted for the real estate acquisition during 2017 and 2018 as an asset acquisition, not a business combination.

The fair value of the below market lease is the present value of the difference between the contractual amount to be paid pursuant to the in-place lease and the estimated current market lease rate expected over the remaining non-cancelable life of the lease. The capitalized below market lease values are amortized as an increase to rental income over the remaining term of the lease.

Intangible Assets

Line of Credit Costs

Costs incurred related to line of credit costs have been capitalized and are amortized over the term of the respective agreement using the straight-line method. Amortization expense related to line of credit costs were $4,864 and $2,714 for the year ended December 31, 2018 and December 31, 2017, respectively.

In-Place Leases

In-place lease assets and liabilities result when we assume a lease as part of a facility purchase or business combination. The fair value of in-place leases consists of the following components, as applicable (1) the estimated cost to replace the leases (including loss of rent, estimated commissions and legal fees paid in similar leases), and (2) the above or below market cash flow of the leases, determined by comparing the projected cash flows of the leases in place at the time of acquisition to projected cash flows of comparable market-rate leases (referred to as Lease Intangibles). Lease Intangible assets and liabilities are classified as lease contracts above and below market value, respectively, in other assets and accrued expenses and other liabilities on our Consolidated Balance Sheets, and amortized on a straight-line basis as decreases and increases, respectively, to rental income over the estimated remaining term of the underlying leases. Should a tenant terminate the lease, the unamortized portion of the lease intangible is recognized immediately as income or expense. For additional information, see Note 4 – Intangibles.

Earnings per Share

In accordance with ASC 260, basic earnings/loss per share (“EPS”) is computed by dividing net loss attributable to the Company that is available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to all dilutive potential of shares of common stock outstanding during the period including stock warrants, using the treasury stock method (by using the average stock price for the period to determine the number of shares assumed to be purchased from the exercise of warrants), and convertible debt, using the if-converted method. Diluted EPS excludes all dilutive potential of shares of common stock if their effect is anti-dilutive. As of December 31, 2018 and December 31, 2017, there were no common stock dilutive instruments.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU2016-02, *Leases* (“ASU 2016-02”), which amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. ASU 2016-02 will be effective for the Company beginning January 1, 2019. The new standard was adopted using a modified retrospective method. Based on the election of the package of practical expedients, the Company has determined that its leases where it is the lessor will continue to be accounted for as operating leases under the new standard. Further, the Company has elected the practical expedient to not separate non-lease components from lease components. Therefore, as of January 1, 2019, for the Company’s leases where it is the lessor, the Company does not anticipate changes in the accounting for its lease revenues and expenses. The Company’s office lease where it is the lessee is scoped out from ASU 2016-02 as it is a month-month lease

Note 3 – Investments in Real Estate

The Company's real estate is comprised of the following:

	December 31, 2018	December 31, 2017
Property	$13,460,084	$ 2,432,570
Tenant improvement	235,673	146,765
Acquired lease intangible assets	932,449	121,017
Total	14,628,206	2,700,352
Less: Accumulated depreciation and amortization	(199,223)	(45,654)
Total real estate, net	$14,428,983	$ 2,654,698

The purchase price of the asset acquisition was allocated to land, building, tenant improvement and acquired lease intangible assets and liabilities based on management's estimate.

Acquisitions:

Fiscal Year 2018

During the year ended December 31, 2018, the Company acquired the following retail properties:

Property and Location	Percent Acquired	Date of Acquisition	Purchase Price	Debt Assumed
Starbucks – Tampa, FL	100%	4/4/2018	$ 3,463,500	$ —
Pratt and Whitney – Huntsville, AL	100%	12/20/2018	8,307,750	—

The acquisitions were accounted for as an asset acquisition as the underlying property did not meet the definition of a business as the Company early adopted ASU No. 2017-01, Business Combinations – Clarifying the Definition of a Business.

The following table summarizes the aggregate purchase price assignment for 2018:

	Starbucks	Pratt & Whitney
Building	$2,162,245	$6,962,169
Acquired lease intangible asset—in-place lease	167,147	644,285
Land	1,138,023	760,881
Tenant improvements	88,908	—
Total purchase price, including closing costs	$3,556,323	$8,367,335

Fiscal Year 2017

During the year ended December 31, 2017, the Company acquired the following retail properties:

Property and Location	Percent Acquired	Date of Acquisition	Purchase Price	Debt Assumed
7-Eleven—Washington, D.C.	100%	6/29/2017	$ 2,480,000	$ —

This acquisition was accounted for as an asset acquisition as the underlying property did not meet the definition of a business as the Company early adopted ASU No. 2017-01, Business Combinations – Clarifying the Definition of a Business.

The following table summarizes the aggregate purchase price assignment:

Property	$2,432,570
Acquired lease intangible asset—in-place lease	121,017
Acquired lease intangible liability—below market lease	(123,592)
Tenant improvements	146,765
Total purchase price, including closing costs	$2,576,760

Note 4 – Acquired Lease Intangible Asset, net

Intangible assets, net is comprised of the following:

	December 31, 2018	December 31, 2017
In-place lease	$ 932,449	$ 121,017
Less: Accumulated amortization	(35,925)	(6,918)
Total intangible assets, net	$ 896,524	$ 114,099

Note 5 – Acquired Lease Intangible Liability, net

Acquired lease intangible liability is comprised of the following:

	December 31, 2018	December 31, 2017
Acquired lease intangible liability	$ 123,592	$ 123,592
Less: recognized rental income	(21,187)	(7,062)
Total below market lease, net	$ 102,405	$ 116,530

Note 6 – Debt

	Year ended December 31, 2018	2017
Promissory note issued for $3,700,000 by a financial institution, bearing interest at 4.6289% adjusted monthly based on 30 day LIBOR plus 225 basis points and interest payments due monthly of approximately $14,000. Note was issued on April 4, 2018 and matures on April 4, 2020 and can be prepaid at any time without penalty. Secured by our 7-Eleven property and our Starbucks property.	$3,684,039	$ —
Promissory note issued for $6,100,000 by a financial institution, bearing interest at 4.7394%, adjusted monthly based on 30 day LIBOR plus 225 basis points, interest and principal payments due monthly of approximately $25,000. Note was issued on December 20, 2018 and matures on December 19, 2020 and can be prepaid at any time without penalty. Secured by our Pratt and Whitney property.	6,100,000	—
Less debt issuance costs	(69,256)	—
	$9,714,783	$ —

Both of our promissory notes are guaranteed by our President.

The Company incurred and paid $82,457 of debt issuance costs during 2018 and amortized $13,201 to interest expense.

Both loans are subject to certain loan covenants such as debt service ratio of 1:1 to 1:0. The debt service ratio covenant is applicable to the $6.1 million loan starting December 31, 2019 and applicable to the $3.7 million loan starting December 31, 2018. The $3.7 million loan is also subject to and minimum debt to equity ratio of 50% starting December 31, 2018. The Company was in compliance for both covenants for the $3.7 million loan as of December 31, 2018.

Minimum required principal payments on the Company's debt as of December 31, 2018 are as follows:

Years Ending December 31,	
2019	$ —
2020	9,784,039
	$9,784,039

In June 2017, we received a $5,000,000 revolving line of credit from a commercial bank. We have not utilized any of our line of credit as of the date of this filing. The line is guaranteed by Mr. Sobelman, our chairman and President and matures in June 2019. We intend to repay amounts outstanding under any credit facilities as soon as reasonably possible. No assurance can be given that we will be able to obtain additional credit facilities. We anticipate arranging and utilizing additional revolving credit facilities to potentially fund future acquisitions (following investment of the net proceeds of our Offering), return on investment initiatives and working capital requirements.

Note 7 – Equity

The Company is authorized to issue up to 100,000,000 shares of common stock and 10,000,000 of undesignated preferred stock. No preferred shares have been issued as of the date of this report. Holders of the Company's common stock are entitled to receive dividends when authorized by the Company's Board of Directors.

During the year ended December 31, 2018, the Company received equity subscriptions for which $644,800 of funds have been received from investors and 128,960 shares of common stock have been issued. The Company incurred stock issuance costs of approximately $266,000 of which $141,000 was paid and $124,000 was accrued for as of December 31, 2018. The $50,000 of stock issuance costs accrued at December 31, 2017 was paid in 2018.

During the year ended December 31, 2017, the Company received equity subscriptions for which $2,670,535 of funds have been received from investors and 534,107 shares of common stock have been issued. The Company incurred stock issuance costs of $80,000 of which $30,000 was paid and $50,000 was accrued for as of December 31, 2017.

On February 15, 2017, the Company, at a Special Meeting of the Board of Directors, approved an extension of the offering period of the Company's Offering qualified by the Securities and Exchange Commission on February 29, 2016. The offering of 4,000,000 shares of the Company's common stock was extended to the earlier period of: (i) the date when the sale of all 4,000,000 shares is completed, or (ii) the two-year anniversary of the date the Offering Statement filed on Form 1-A of Regulation A of the Securities Act of 1933 was qualified. The Offering was closed on July 1, 2018.

Note 8 – Related-Party Transactions

For the year ended December 31, 2018 and 2017, the Company's President, David Sobelman paid $0 and $0, respectively, for expenses incurred on behalf of the Company; amounts to be reimbursed to Mr. Sobelman, totaled $0 as of December 31, 2018 and $84,292 as of December 31, 2017. These expenses were reimbursed as per a verbal agreement between the Company and our President, without interest with the proceeds received upon the sale of the Company's common stock as part of its Offering. In addition, the Company owed 3 Properties, LLC, a real estate brokerage firm owned by Mr. Sobelman, $2,805 for expenses paid for by 3 Properties on the Company's behalf as of December 31, 2017 but was repaid in 2018. For properties identified by 3 Properties, it acts as our brokerage agent for such properties. The sellers of properties acquired by the Company have paid 3 Properties $124,616 and $0 during the years ended December 31, 2018 and 2017, respectively, in brokerage fees for the acquisition of one property. The Company also engaged 3 Properties to be its asset manager and has paid it $2,191 and $0 during the years ended December 31, 2018 and 2017, respectively.

Note 9 – Leases

Fiscal Year 2018

On April 4, 2018, the Company purchased an asset. The initial lease term runs from April 1, 2018 to March 31, 2028 (10 years) with an option to renew four 5 year terms for a total of 30 years. The lease includes a 10% rental increase every five years in the initial lease term. The Company recognizes rental income on a straight-line basis over the term of the lease.

On December 20, 2018, the Company assumed the lease for property it acquired. The amended lease term runs from January 2, 2018 to January 29, 2029 (approximately 10 years) with an option to renew for two 5 year terms for a total of 20 years. The lease includes a 5% rental increase after each of the renewal periods. The Company recognizes rental income on a straight-line basis over the term of the lease.

Fiscal Year 2017

On June 29, 2017, the Company assumed the lease for the property it acquired. The initial lease term runs from January 1, 2016 to March 31, 2026 (10 years) with an option to renew for two 5 year terms for a total of 20 years. The lease includes a 10% rental increase every five years in the primary term, and during the renewal periods. As of the date of purchase, the lease had eight years and nine months on the initial term of the lease. The Company recognizes rental income on a straight-line basis over the term of the lease.

Future Minimum Rents

The following table presents future minimum base rental cash payments due to the Company over the next five calendar years and thereafter as of December 31, 2018.

	Future Minimum Base Rent Payments
December 31, 2019	$ 985,000
December 31, 2020	985,000
December 31, 2021	994,000
December 31, 2022	997,000
December 31, 2023	1,011,000
Thereafter	4,628,000
	$ 9,600,000

Note 10 – Income Taxes

The Company performs an evaluation of the realizability of its deferred tax assets on a semi-annual basis. The Company considers all positive and negative evidence available in determining the potential of realizing deferred tax assets, including the scheduled reversal of temporary differences, recent and projected future taxable income and prudent and feasible tax planning strategies. The estimates and assumptions used by the Company in computing the income taxes reflected in the accompanying consolidated financial statements could differ from the actual results reflected in the income tax returns filed during the subsequent year. Adjustments are recorded based on filed returns when finalized or the related adjustments are identified.

Under ASC 740-10-30-5, *Income Taxes*, deferred tax assets should be reduced by a valuation allowance if, based on the weight of available evidence, it is more-likely-than-not (i.e., a likelihood of more than 50%) that some portion or all of the deferred tax assets will not be realized. The Company considers all positive and negative evidence available in determining the potential realization of deferred tax assets including, primarily, the recent history of taxable earnings or losses. Based on operating losses reported by the Company during 2018, 2017 and 2016, the Company concluded there was not sufficient positive evidence to overcome this recent operating history. As a result, the Company believes that a valuation allowance is necessary based on the more-likely-than-not threshold noted above. The Company recorded a valuation allowance of approximately of $288,804 as of December 31, 2018 and $110,507 as of December 31, 2017 equal to its deferred tax asset at that time. The valuation allowance reflects the decrease in deferred tax assets resulting from the Tax Cuts and Jobs Act of 2017. The Company's net operating losses as of December 31, 2018 was $714,100.

Significant components of the tax expense (benefit) recognized in the accompanying consolidated statements of operations for the period December 31, 2018 and December 31, 2017 are as follows:

	Year Ended December 31, 2018	Year Ended December 31, 2017
Current tax benefit		
Federal	$ (126,654)	$ (47,305)
State	(26,205)	(6,175)
Total current tax benefit	(152,859)	(53,480)
Deferred tax expense	6,802	17,433
Rate change adjustment	—	46,860
Valuation allowance (expense)	146,057	(10,813)
Income tax benefit	$ —	$ —

The reconciliation of the income tax computed at the combined federal and state statutory rate of 30.1% as of December 31, 2018 and 37.6% as of December 31, 2017 to the income tax benefit is as follows:

	Year Ended December 31, 2018		Year Ended December 31, 2017	
Benefit on net loss	$ (146,467)	30.1%	$ (36,182)	37.6%
Nondeductible expenses	410	-0.1%	135	-0.1%
Rate change adjustment	—	— %	46,860	-48.7%
Valuation allowance (expense)	146,057	-30.0%	(10,813)	11.2%
Tax benefit/effective rate	$ —	— %	$ —	— %

The significant components of the Company's deferred tax liabilities and assets as of December 31, 2017 and December 31, 2016 are as follows:

	As of December 31, 2018	As of December 31, 2017
Deferred tax assets:	$	$
Tax expense for debt issuance costs	30,839	6,916
Loss carryforwards	181,000	36,021
Organizational costs	77,045	67,570
Total deferred tax asset	288,884	110,507
Valuation allowance	(288,804)	(110,507)
Net deferred tax asset	$ —	$ —

The Company's federal and state tax returns for the 2016 through 2018 tax years generally remain subject to examination by U.S. and various state authorities.

Note 11 – Subsequent Events

Private Investment Placement

On April 25, 2019, the Company raised $1,000,000 by issuing 200,000 Units with each Unit being comprised of one share of its Common Stock, and one warrant to purchase one share of its Common Stock (the "Common Warrants"). Each Unit was sold for a price of $5.00 per Unit. The shares of the Company's Common Stock and Common Warrants included in the Units, were offered together, but the securities included in the Units are issued separately.

The Common Warrants are immediately exercisable at a price of $5.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Generation Income Properties, Inc.

Opinion on the Financial Statement

We have audited the accompanying statement of revenues and certain operating expenses of Greenwal, L.C. (the "Target") for the year ended December 31, 2018, and the related notes to the financial statement (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the result of operations of the Target for the year ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in this Form S-11 of Generation Income Properties, Inc.) as discussed in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Target's revenues and expenses.

/s/ MaloneBailey, LLP
www.malonebailey.com
We have served as the Target's auditor since 2019
Houston, Texas
December 23, 2019

WALMER AVENUE PROPERTY LOCATED IN NORFOLK, VIRGINIA
STATEMENTS OF REVENUES AND CERTAIN OPERATING EXPENSES

	Six Months Ended June 30, 2019 (Unaudited)	Twelve Months Ended December 31, 2018
Revenue		
Rental revenue	$ 612,147	$ 1,012,773
Expenses		
General, administrative and organizational costs	20,163	169
Building expenses	213,741	478,381
Total expenses	233,904	478,550
Revenues in excess of certain operating expenses	$ 378,243	$ 534,223

See accompanying notes to statements of revenue and certain operating expenses

WALMER AVENUE PROPERTY LOCATED IN NORFOLK, VIRGINIA
NOTES TO STATEMENTS OF REVENUES AND CERTAIN OPERATING EXPENSES
For the Six Months Ended June 30, 2019 (unaudited) and the Year Ended December 31, 2018

(1) Organization

On September 30, 2019, Generation Income Properties Inc. ("GIP") acquired the Walmer Avenue property (located on 2510 Walmer Avenue in Norfolk, Virginia) from Greenwal L.C., a Virginia limited liability company; (the "Virginia Seller") and assumed the Virginia Seller's interest, as lessor, in two leases with the Government Services Administration and Maersk Inc. The Walmer Avenue property leases have a weighted average remaining lease term of approximately 3.7 years, with each of the leases containing various tenant renewal options.

The Walmer property is a two-tenant office building (72,000 square feet) leased to The United States Government and Maersk Line, Limited, an international shipping company acquired on September 30, 2019 for $11.5 million. The building was purchased by issuing 993,000 common units in GIP's Operating Partnership, priced at $5.00 per unit, for a total value of $4,965,000 plus an additional $822,000 in cash, and the assumption of approximately $6.0 million of existing mortgage debt which was subsequently refinanced with a new $8.3 million mortgage loan.

(2) Basis of Presentation

The accompanying statement of revenues and certain operating expenses (the "Historical Summary") has been prepared for the purpose of complying with the provisions of Article 3-14 of Regulation S-X promulgated by the United States Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations be included with certain filings with the SEC. The Historical Summary includes the historical revenues and operating expenses of the Virginia Seller, exclusive of interest expense, depreciation and amortization expense, and other nonrecurring owner specific expenses, which may not be comparable to the corresponding amounts reflected in the future operations of the Seller.

In the opinion of management, all adjustments necessary for a fair presentation of such Historical Summary have been included. Such adjustments consisted of normal recurring items. Management is not aware of any material factors during the six months ended June 30, 2019 (unaudited) or the year ended December 31, 2018 that would cause the reported financial information not to be indicative of future operating results.

(3) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(4) Significant Accounting Policies

Revenue Recognition

The Virginia Sellers' operations consist of rental revenue earned under the leases of the office building which provide for noncontingent annual rent escalations and charges to the tenant for real estate taxes and operating expenses.

Rental revenue for the leases is recognized by amortizing the aggregate lease payments on a straight-line basis over the terms of the leases. The leases are accounted for as operating leases.

(5) Rental Revenue

The aggregate annual minimum cash to be received on the lease as of June 30, 2019 and December 31, 2018, is as follows for the subsequent years ended December 31, 2018; as listed below.

	Future Minimum Base Rent Payments	
	As of June 30, 2019	As of December 31, 2018
2019 (6 months)	$ 618,200	$ 1,235,600
2020	1,246,200	1,246,200
2021	1,225,800	1,225,800
2022	882,400	882,400
2023	661,800	661,800
2024	—	—
Thereafter	—	—
	$ 4,634,400	$ 5,251,800

(6) Related Party

The Virginia Seller engaged Robinson Development Group (a brokerage and asset manager company) that is owned by Tom Robinson, who is the managing partner of Greenwal L.C. For the six months ended June 30, 2019 and twelve months ended December 31, 2018, the Virginia Seller paid Robinson Development Group $12,047 and $20,264, respectively for asset management services related to the property.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Generation Income Properties, Inc.

Opinion on the Financial Statement

We have audited the accompanying statement of revenues and certain operating expenses of Riverside Crossing, L.C. (the "Target") for the year ended December 31, 2018, and the related notes to the financial statement (collectively referred to as the "financial statement"). In our opinion, the financial statement present fairly, in all material respects, the result of operations of the Target for the year ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in this Form S-11 of Generation Income Properties, Inc.) as discussed in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Target's revenues and expenses.

/s/ MaloneBailey, LLP
www.malonebailey.com
We have served as the Target's auditor since 2019
Houston, Texas
December 23, 2019

CORPORATE BOULEVARD PROPERTY LOCATED IN NORFOLK, VIRGINIA
STATEMENTS OF REVENUES AND CERTAIN OPERATING EXPENSES

	Six Months Ended June 30, 2019 (Unaudited)	Twelve Months Ended December 31, 2018
Revenue		
Rental revenue	$ 366,422	$ 732,844
Expenses		
General, administrative and organizational costs	173	1,128
Building expenses	94,199	181,979
Total expenses	94,372	183,107
Revenues in excess of certain operating expenses	$ 272,050	$ 549,737

See accompanying notes to statements of revenue and certain operating expenses

CORPORATE BOULEVARD PROPERTY LOCATED IN NORFOLK, VIRGINIA
NOTES TO STATEMENTS OF REVENUES AND CERTAIN OPERATING EXPENSES
For the Six Months Ended June 30, 2019 (unaudited) and the Year Ended December 31, 2018

(1) Organization

On September 30, 2019, Generation Income Properties Inc. ("GIP") acquired the Corporate Boulevard property (located on 130 Corporate Blvd in Norfolk, Virginia) from Riverside Crossing, L.C, a Virginia limited liability company; ("Virginia Seller") and assumed the Virginia Seller's interest, as lessor, in one lease with the PRA Group Inc. The lease has a remaining lease term of approximately 8.2 years, with the lease containing various tenant renewal options.

The Corporate Boulevard property is a single tenant office building (35,000 square feet) leased to PRA Holdings Inc. located on 130 Corporate Blvd in Norfolk, Virginia and was acquired in September 2019 for approximately $7.1 million with the issuance of 406,650 common units in GIP's Operating Partnership, priced at $5.00 per unit, for a total value of $2,033,250 plus an additional $100,000 in cash, and the assumption of approximately $5.2 million of existing mortgage debt.

(2) Basis of Presentation

The accompanying statement of revenues and certain operating expenses (the "Historical Summary") has been prepared for the purpose of complying with the provisions of Article 3-14 of Regulation S-X promulgated by the United States Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations be included with certain filings with the SEC. The Historical Summary includes the historical revenues and operating expenses of the Virginia Seller, exclusive of interest expense, depreciation and amortization expense, and other nonrecurring owner specific expenses, which may not be comparable to the corresponding amounts reflected in the future operations of the Seller.

In the opinion of management, all adjustments necessary for a fair presentation of such Historical Summary have been included. Such adjustments consisted of normal recurring items. Management is not aware of any material factors during the six months ended June 30, 2019 (unaudited) or the year ended December 31, 2018 that would cause the reported financial information not to be indicative of future operating results.

(3) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(4) Significant Accounting Policies

Revenue Recognition

The Virginia Sellers' operations consist of rental revenue earned under the leases of the office building which provide for noncontingent annual rent escalations and charges to the tenant for real estate taxes and operating expenses.

Rental revenue for the leases is recognized by amortizing the aggregate lease payments on a straight-line basis over the terms of the leases. The leases are accounted for as operating leases.

(5) Rental Revenue

The aggregate annual minimum cash to be received on the lease as of June 30, 2019 and December 31, 2018, is as follows for the subsequent years ended December 31, 2018 as listed below.

	Future Minimum Base Rent Payments	
	As of June 30, 2019	As of December 31, 2018
2019	$ 353,500	$ 703,500
2020	714,100	714,100
2021	724,800	724,800
2022	735,600	735,600
2023	746,700	746,700
2024	757,900	757,900
Thereafter	2,075,800	2,075,800
	$ 6,108,400	$ 6,458,400

(6) Related Party

The Virginia Seller engaged Robinson Development Group (a brokerage and asset manager company) that is owned by Tom Robinson, who is the managing partner of Riverside Crossing L.C. For the six months ended June 30, 2019 and twelve months ended December 31, 2018, the Virginia Seller paid Robinson Development Group $7,001 and $13,863, respectively for asset management services related to the property.

Generation Income Properties Inc.
Overview to Unaudited Pro Forma Consolidated Financial Statements

Generation Income Properties Inc. (the "Company," "our," "we") is a Maryland corporation engaged primarily in acquiring and investing in net lease commercial retail, office and industrial properties located primarily in major cities in the United States.

The accompanying unaudited pro forma consolidated financial statements have been derived from our historical consolidated financial statements. The unaudited pro forma consolidated balance sheet as of June 30, 2019 is presented to reflect pro forma adjustments as if (i) the Company's acquisition on September 30, 2019 of a portfolio of two office buildings (the "Walmer Avenue Property" and the "Corporate Boulevard Property") located in Norfolk, Virginia (the Walmer Avenue Property and the Corporate Boulevard Property, collectively, the "Virginia Portfolio") and (ii) the Company's acquisition on September 11, 2019 of one building located in Cocoa, Florida (the "Clearlake Property") were each completed on June 30, 2019. The unaudited pro forma consolidated statements of operations for the six months ended June 30, 2019 and the twelve months ended December 31, 2018 are presented as if the acquisitions of the Virginia Portfolio and the Clearlake Property were each completed on January 1, 2018. The unaudited pro forma consolidated statements of operations have also been adjusted to reflect the pro forma results of operations of the facilities that we acquired during the year ended December 31, 2018 and during the six months ended June 30, 2019, reflecting the pro forma operations of these acquisitions from the period January 1, 2018 through the respective dates of acquisition (refer to the "Previously Disclosed Acquisitions" columns).

The following unaudited pro forma consolidated financial statements should be read in conjunction with (i) our historical unaudited consolidated financial statements as of June 30, 2019 and for the six months ended June 30, 2019, (ii) our audited consolidated financial statements for the twelve months ended December 31, 2018, (iii) the "Cautionary Note Regarding Forward-Looking Statements" contained in those filings, and (iv) the "Risk Factors" sections contained in those filings.

We have based the unaudited pro forma adjustments on available information and assumptions that we believe are reasonable. The following unaudited pro forma consolidated financial statements are presented for informational purposes only and are not necessarily indicative of what our actual consolidated financial position would have been as of June 30, 2019 assuming the transactions and adjustments reflected therein had been consummated on June 30, 2019 and what our actual consolidated results of operations would have been for the six months ended June 30, 2019 and the twelve months ended December 31, 2018 assuming the transactions and adjustments reflected therein had been completed on January 1, 2018, and additionally are not indicative of our consolidated future financial condition, results of operations, or cash flows, and should not be viewed as indicative of our future consolidated financial condition, results of operations, or cash flows.

GENERATION INCOME PROPERTIES INC.
Pro Forma Consolidated Balance Sheet
(unaudited, except par values)

	As of June 30, 2019				
		Pro Forma Adjustments			
	Historical	Clearlake	Walmer Ave	Corporate	Pro Forma
Assets					
Investment in real estate					
Property	$13,460,084	$4,542,275	$10,679,080	$6,529,747	$35,211,186
Tenant improvements	235,673	—	174,876	72,152	482,701
Acquired lease intangible assets	932,449	298,230	1,014,280	613,291	2,858,250
Less accumulated depreciation and amortization	(398,937)	—	—	—	(398,937)
Total investments	14,229,269	4,840,505	11,868,236	7,215,190	38,153,200
Cash and cash equivalents	999,775	—	1,056,209	(40,812)	2,015,172
Restricted cash		—	500,000	34,500	534,500
Accounts Receivable - Deferred Rent	30,607	—	—	—	30,607
Accounts Receivable - Related Party	—	—	—	—	—
Prepaid expenses	128,879	8,576	24,816	34,917	197,188
Line of credit costs - net	—	—	—	—	—
Escrow deposit and other assets	103,160	—	—	—	103,160
Total Assets	**$15,491,690**	**$4,849,081**	**$13,449,261**	**$7,243,795**	**$41,033,827**
Liabilities and Stockholder's Equity					
Liabilities					
Accounts payable	$ 179,305	$ —	$ —	$ —	179,305
Accrued expenses	78,449	—	81,840	37,006	197,295
Acquired lease intangible liability, net	95,343	252,349	209,851	—	557,543
Other liabilities	—	—	—	—	—
Mortgage loans, net of unamortized discount of $48,647 at June 30, 2019	9,731,842	3,346,732	8,192,570	5,173,538	26,444,682
Total liabilities	10,084,939	3,599,081	8,484,261	5,210,544	27,378,825
Redeemable Non-Controlling Interest	2,303,874	1,200,000	4,965,000	2,033,251	10,502,125
Stockholders' Equity					
Common stock, $0.01 par value, 100,000,000 shares authorized; 2,100,960 shares issued and outstanding at June 30, 2019	21,010	—	—	—	21,010
Additional paid-in capital	4,655,624	50,000	—	—	4,705,624
Accumulated deficit	(1,573,757)	—	—	—	(1,573,757)
Total Generation Income Properties, Inc. stockholder's equity	3,102,877	50,000	—	—	3,152,877
Total Liabilities and Stockholder's Equity	**$15,491,690**	**$4,849,081**	**$13,449,261**	**$7,243,795**	**$41,033,827**

The accompanying notes are an integral part of this unaudited pro forma consolidated financial statement

GENERATION INCOME PROPERTIES INC.
Pro Forma Consolidated Statement of Operations
(unaudited)

	Six Months Ended June 30, 2019				
		Pro Forma Adjustments			
	Historical	Clearlake	Walmer Ave.	Corporate Blvd	Pro Forma
Revenue					
Rental Revenue	$ 552,118	$156,740	$ 612,147	$ 366,422	$1,687,427
Below Market Lease Revenue	—	14,148	33,535	—	47,683
Total Rental Revenue	552,118	170,888	645,682	366,422	1,735,110
Expenses					
General, administrative and organizational costs	624,342	—	20,163	173	644,678
Building expenses	33,417	2,991	213,741	94,199	344,348
Depreciation and amortization	199,715	65,010	255,786	117,786	638,297
Interest expense, net	263,087	83,313	182,268	115,106	643,774
Other expenses	85,000	—	—	—	85,000
Compensation costs	54,305	—	—	—	54,305
Total expenses	1,259,866	151,314	671,958	327,264	2,410,402
Net Loss	$ (707,748)	$ 19,574	$ (26,276)	$ 39,158	$ (675,292)
Less: Net income attributable to Non-controlling interest	28,386				28,386
Net Loss attributable to Generation Income Properties, Inc.	$ (736,134)	$ 19,574	$ (26,276)	$ 39,158	$ (703,678)
Total Weighted Average Shares of Common Shares Outstanding	1,884,249				1,884,249
Basic and Diluted Loss Per Share Attributable to Common Stockholder	$ (0.39)				$ (0.37)

The accompanying notes are an integral part of this unaudited pro forma consolidated financial statement

GENERATION INCOME PROPERTIES INC.
Pro Forma Consolidated Statement of Operations
(unaudited)

	Twelve Months Ended December 31, 2018							
	Historical	Previously Disclosed Acquisitions (Tampa, FL)	Previously Disclosed Acquisitions (Huntsville, AL)	Historical plus Previously Disclosed Acquisitions	Pro Forma Adjustments Clearlake	Pro Forma Adjustments Walmer Ave.	Pro Forma Adjustments Corporate Blvd	Pro Forma
Revenue								
Rental Revenue	$ 341,538	$ 56,239	$ 676,490	$1,074,267	$ 313,480	$ 1,012,773	$ 732,844	$3,133,364
Below Market Lease Revenue				—	$ 28,296	$ 67,070		95,366
Total Rental Revenue	341,538	56,239	676,490	1,074,267	341,776	1,079,843	732,844	3,228,730
Expenses								
General, administrative and organizational costs	396,832	730	1,336	398,898	—	169	1,128	400,195
Building expenses	45,208	11,799	26,154	83,161	5,981	478,381	181,979	749,502
Depreciation and amortization	153,569	17,787	230,407	401,763	130,020	511,572	235,572	1,278,927
Interest expense, net	145,107	25,119	301,119	471,345	149,782	364,536	230,213	1,215,876
Other expenses	—	—	—	—	—	—	—	—
Compensation costs	81,377	—	—	81,377	—	—	—	81,377
Total expenses	822,093	55,435	559,016	1,436,544	285,783	1,354,658	648,892	3,725,877
Net Loss	$ (480,555)	$ 804	$ 117,474	$ (362,277)	$ 55,993	$ (274,815)	$ 83,952	$ (497,147)
Less: Net income attributable to Non-controlling interest	(24,735)	—	58,737	34,002	—	—	—	34,002
Net Loss attributable to Generation Income Properties, Inc.	$ (455,820)	$ 804	$ 58,737	$ (396,279)	$ 55,993	$ (274,815)	$ 83,952	$ (531,149)
Total Weighted Average Shares of Common Shares Outstanding	1,812,660			1,812,660				1,812,660
Basic and Diluted Loss Per Share Attributable to Common Stockholder	$ (0.25)			$ (0.22)				$ (0.29)

The accompanying notes are an integral part of this unaudited pro forma consolidated financial statement

Note 1 — Overview of Unaudited Pro Forma Consolidated Financial Statements

The accompanying unaudited pro forma consolidated balance sheet and unaudited pro forma consolidated statements of operations for Generation Income Properties Inc. (the "Company") presents the pro forma impact of the acquisition of a portfolio of two office buildings (the "Walmer Avenue Property" and the "Corporate Boulevard Property") located in Norfolk, Virginia (the Walmer Avenue Property and the Corporate Boulevard Property, collectively, the "Virginia Portfolio") and the acquisition of one building located in Cocoa, Florida (the "Clearlake Property"). The unaudited pro forma consolidated statements of operations have also been adjusted to reflect the pro forma results of operations of the facilities that the Company acquired during the year ended December 31, 2018 and during the six months ended June 30, 2019, reflecting the pro forma operations of these acquisitions from the period January 1, 2018 through the respective dates of acquisition (refer to the "Previously Disclosed Acquisitions" columns).

On September 30, 2019, the Company, through a wholly-owned subsidiary of Generation Income Properties L.P., the Company's operating partnership (the "OP") acquired the Virginia Portfolio and assumed the sellers' interest, as lessor, in three leases (collectively, the "Virginia Portfolio Leases"). The Virginia Portfolio Leases have a weighted average remaining lease term of approximately 5.4 years, with each of the Virginia Portfolio Leases containing various tenant renewal options. The aggregate purchase price for the two buildings that comprise the Virginia Portfolio was approximately $18.4 million, $7.0 million of which was paid in the form of common units ("OP Units") in the Company's OP.

On September 11, 2019, the Company, through a wholly-owned subsidiary of Generation Income Properties L.P., the Company's operating partnership (the "OP") acquired the Clearlake Property and assumed the sellers' interest, as lessor, in one lease. The Clearlake Lease has a weighted average remaining lease term of approximately 10.4 years, with each of the Clearlake Lease containing various tenant termination options. The aggregate purchase price for the building was approximately $4.5 million. As part of the Company's acquisition of a building for $4.5 million in Cocoa, FL, one of the Company's operating subsidiaries entered into a preferred equity agreement with the Brown Family Trust on September 11, 2019 pursuant to which the Company's subsidiary received a capital contribution of $1,200,000. Pursuant to the agreement, the Company will pay the preferred equity member a 10% IRR on a monthly basis and redeem the entire amount due after 24 months at the option of the preferred equity member.

Unaudited Pro Forma Consolidated Balance Sheet

The accompanying unaudited pro forma consolidated balance sheet assumes the acquisitions were completed on June 30, 2019. Pro forma adjustments include only adjustments that give effect to events that are (1) directly attributable to the transactions and (2) factually supportable regardless of whether they have a continuing impact or are nonrecurring.

All pro forma adjustments are presented on the face of the accompanying unaudited pro forma consolidated balance sheet.

Unaudited Pro Forma Consolidated Statements of Operations

The accompanying unaudited pro forma consolidated statement of operations for the six months ended June 30, 2019 and the year ended December 31, 2018, assumes the acquisition of the Virginia Portfolio and the Clearlake Property were completed on January 1, 2018 and the effect of all adjustments are computed through the end of the six and twelve-month periods presented. Pro forma adjustments include only adjustments that give effect to events that are (1) directly attributable to the transactions, (2) expected to have a continuing impact on the registrant, and (3) factually supportable.

All pro forma adjustments are presented on the face of the accompanying unaudited pro forma consolidated statements of operations for each period presented.

Note 2 — Unaudited Pro Forma Consolidated Balance Sheet Adjustments

The Historical column represents the historical amounts contained in the Company's consolidated balance sheet as of June 30, 2019 as presented in its Form 1-SA as of June 30, 2019.

The Clearlake, Walmer Ave and Corporate Blvd columns represents the preliminary fair value purchase price allocation of the tangible and intangible assets and intangible liability acquired in connection with the acquisition of the Virginia Portfolio and the Clearlake Property. This includes the following funding sources utilized for the acquisition of the Clearlake Property and the Virginia Portfolio (1) cash paid from the Company's available cash on hand, (2) borrowings received, (3) preferred equity in a subsidiary and (4) equity issued from the Company's wholly owned subsidiary operating partnership that were valued at $5.00 per unit, the date the Virginia Portfolio was acquired. It also includes capitalized pre-acquisition costs related to the Virginia Portfolio that are removed from "other assets" commensurate with the completed acquisition and included in the allocated tangible and intangible assets acquired.

Note 3 — Unaudited Pro Forma Consolidated Statement of Operations Adjustments – Six months ended June 30, 2019

The Historical column represents the historical amounts contained in the Company's consolidated statement of operations for the six months ended June 30, 2019 as presented in its Form 1-SA for the six months ended June 30, 2019.

The Walmer Ave. and Corporate Blvd columns present the results of operations for acquisitions that were completed on September 30, 2019 as if the acquisitions occurred on January 1, 2018. The facilities acquired and the related acquisition completion dates are listed in the table below:

Facility	Date Acquired
Walmer Avenue Property	September 30, 2019
Corporate Blvd Property	September 30, 2019

- These columns include rental revenue earned on the Virginia Portfolio Leases using the straight-line basis over the terms of the leases. The revenue includes recoveries related to tenant reimbursement of real estate taxes, insurance, and certain other operating expenses. We recognize these reimbursements on a gross basis meaning there is an equal impact on revenue and expense.
- Depreciation expense for the acquisitions incurred on the buildings uses an estimated remaining useful life of 40 years and on the tenant improvements over the remaining lease term of approximately 2-7 years.
- Amortization expense incurred on the acquired lease intangible assets is computed over the remaining lease term of approximately 2 - 9 years.
- Interest expense incurred on the borrowings used to fund the acquisition at an interest rate of approximately 4.25%, as well as the amortization of the related deferred financing costs.

The Clearlake Property columns present the results of operations for acquisitions that were completed on September 11, 2019 as if the acquisitions occurred on January 1, 2018. The facilities acquired and the related acquisition completion dates are listed in the table below:

Facility: Clearlake Property was Acquired on September 11, 2019

- These columns include rental revenue earned on the Clearlake Property Lease using the straight-line basis over the terms of the leases. The revenue includes recoveries related to tenant reimbursement of real estate taxes, insurance, and certain other operating expenses. We recognize these reimbursements on a gross basis meaning there is an equal impact on revenue and expense.
- Depreciation expense for the acquisition incurred on the buildings uses an estimated remaining useful life of 40 years and on the tenant improvements over the remaining lease term of approximately 10 years.
- Amortization expense incurred on the acquired lease intangible assets is computed over the remaining lease term of approximately 10 years.
- Interest expense incurred on the borrowings used to fund the acquisition at an interest rate of approximately 4.0%, as well as the amortization of the related deferred financing costs.

Note 4 — Unaudited Pro Forma Consolidated Statement of Operations Adjustments – Year Ended December 31, 2018

Historical column—represents the historical amounts contained in the Company's consolidated statement of operations as presented in its Form1-K for the year ended December 31, 2018.

P**reviously Disclosed Acquisitions** column—presents the results of operations for the Tampa, Florida and Huntsville, Alabama property that was acquired on April 4, 2018 and December 20, 2018.

- This column includes rental revenue earned on the Tampa, FL and Huntsville, AL lease using the straight-line basis over the term of the lease. The revenue includes recoveries related to tenant reimbursement of real estate taxes, insurance, and certain other operating expenses. We recognize these reimbursements on a gross basis meaning there is an equal impact on revenue and expense.
- Depreciation expense for the acquisitions incurred on the building uses an estimated remaining useful life of 40 years.
- Amortization expense incurred on the acquired tenant improvements and lease intangible assets is computed over the remaining lease term of approximately 10 years.
- Interest expense incurred on the borrowings used to fund the acquisition at an interest rate of approximately 4.3%, as well as the amortization of the related deferred financing costs.

Walmer Ave. and Corporate Blvd. columns—present the results of operations for acquisitions that were completed on September 30, 2019 as if the acquisitions occurred on January 1, 2018. The facilities acquired and the related acquisition completion dates are listed in the table below:

Facility	Date Acquired
Walmer Avenue Property	September 30, 2019
Corporate Blvd Property	September 30, 2019

- These columns include rental revenue earned on the Virginia Portfolio Leases using the straight-line basis over the terms of the leases. The revenue includes recoveries related to tenant reimbursement of real estate taxes, insurance, and certain other operating expenses. We recognize these reimbursements on a gross basis meaning there is an equal impact on revenue and expense.
- Depreciation expense for the acquisitions incurred on the buildings uses an estimated remaining useful life of 40 years and on the tenant improvements over the remaining lease term of approximately 2-7 years.
- Amortization expense incurred on the acquired lease intangible assets is computed over the remaining lease term of approximately 2 - 9 years.
- Interest expense incurred on the borrowings used to fund the acquisition at an interest rate of approximately 4.25%, as well as the amortization of the related deferred financing costs.

The Clearlake Property columns present the results of operations for acquisitions that were completed on September 11, 2019 as if the acquisitions occurred on January 1, 2018. The facilities acquired and the related acquisition completion dates are listed in the table below:

Facility: Clearlake Property was Acquired on September 11, 2019

- These columns include rental revenue earned on the Clearlake Property Lease using the straight-line basis over the terms of the leases. The revenue includes recoveries related to tenant reimbursement of real estate taxes, insurance, and certain other operating expenses. We recognize these reimbursements on a gross basis meaning there is an equal impact on revenue and expense.
- Depreciation expense for the acquisition incurred on the buildings uses an estimated remaining useful life of 40 years and on the tenant improvements over the remaining lease term of approximately 10 years.
- Amortization expense incurred on the acquired lease intangible assets is computed over the remaining lease term of approximately 10 years.
- Interest expense incurred on the borrowings used to fund the acquisition at an interest rate of approximately 4.0%, as well as the amortization of the related deferred financing costs.

GENERATION INCOME PROPERTIES INC.
Pro Forma Statement of Taxable Operating Results and Cash to be Made Available by Operations
(unaudited)

The following represents an estimate of the taxable operating results and cash to be made available by operations of the Company based upon the unaudited pro forma consolidated statement of operations for the year ended December 31, 2018. These estimated results do not purport to represent the results of operations for the Company in the future and were prepared based on the assumptions outlined in the unaudited pro forma consolidated statement of operations, which should be read in conjunction with this statement.

Net income attributable to common stockholders	$ (531,149)
Net book depreciation in excess of tax depreciation	—
Net book amortization in excess of tax amortization	—
Estimated taxable operating income	(531,149)
Adjustments:	—
Depreciation and amortization	1,278,927
Amortization of debt issuance costs	21,987
Revenues in excess of certain operating expenses	**769,765**

Generation Income Properties Inc. and Subsidiaries
Schedule III - Real Estate Properties and Accumulated Depreciation
December 31, 2018

Property Name	Type	Location	Encumbrences (1)	Land	Building and Improvements	Total	Accumulated Depreciation	Year Built	Date Acquired
7-11	Retail	Washington, DC	$ 3,684,039	$ —	$ 2,579,335	$ 2,579,335	$ 116,323	2016	6/29/2017 (1)
Starbucks	Retail	Tampa, FL	—	1,138,023	2,251,153	3,389,175	39,102	2018	4/4/2018 (2)
P&W	Industrial	Huntsville, AL	6,100,000	760,881	6,962,169	7,723,050	7,256	2003	12/20/2018 (1)
			$ 9,784,039	$ 1,898,904	$ 11,792,657	$ 13,691,560	$ 162,681		

1 - The $3.7 million loan encumbers both the Washington DC -7-11 property and the Tampa FL - Starbucks property
2 - Depreciable life - 40 years
3 - Depreciable life - 50 years

	Washington, DC 7-11	Tampa, FL Starbucks	Huntsville, AL P&W	Total
Investments in real estate - 2018				
Balance at beginning of period - 1/01/2018	$ 2,700,352	$ —	$ —	$ 2,700,352
Additions during period:				
Acquisitions		3,300,267	7,723,050	11,023,317
Capitalized leasing commissions		167,147	644,285	811,432
Capitalized tenant improvements		88,908	—	88,908
Balance at end of period - 12-31-2018	**$ 2,700,352**	**$ 3,556,322**	**$ 8,367,335**	**$ 14,624,009**
Investments in real estate - 2017				
Balance at beginning of period - 1/01/2017	**$ —**	**$ —**	**$ —**	$ —
Additions during period:				
Acquisitions	2,432,570	—	—	2,432,570
Capitalized leasing commissions	121,017	—	—	121,017
Capitalized tenant improvements	146,765	—	—	146,765
Balance at end of period - 12-31-2017	**$ 2,700,352**	**$ —**	**$ —**	**$ 2,700,352**

Through and including , 2020 (the 25th day after the date of this prospectus), all dealers that effect transactions in shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

GENERATION INCOME PROPERTIES, INC.

$

UP TO SHARES OF COMMON STOCK

$ PER SHARE

PROSPECTUS

, 2020

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 31. Other Expenses of Issuance and Distribution.

The following table sets forth the expenses (other than underwriting discounts and commissions) we will incur in connection with the issuance and distribution of the securities to be registered pursuant to this registration statement. All amounts other than the SEC registration fee and FINRA filing fee have been estimated.

SEC registration fee	$ 1,947
FINRA filing fee	
Printing and mailing expenses	
Legal fees and expenses	
Accounting fees and expenses	
Transfer agent fees	
Miscellaneous	
Total	**$**

Item 32. Sales to Special Parties.

Not applicable.

Item 33. Recent Sales of Unregistered Securities

The Company has issued the following securities in the past three years that were not registered under the Securities Act:

- On April 25, 2019, the Company raised $1,000,000 by issuing 200,000 Units with each Unit being comprised of one share of our common stock and one warrant to purchase one share of our common stock. Each Unit was sold for a price of $5.00 per Unit. The shares of our common stock and common warrants included in the Units, were offered together, but the securities included in the Units are issued separately.
- On May 31, 2019, the Company issued 61,193 shares of our common stock to Maxim Partners, LLC as compensation for services unrelated to this offering.
- On July 17, 2019, the board of directors granted 10,000 restricted shares to each of the two independent directors' that will vest over 36 months.

The issuance of the shares above was effected in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 701 thereunder (solely with respect to the grant of restricted shares to directors).

Item 34. Indemnification of Directors and Officers.

Maryland law permits a Maryland corporation to include in its charter a provision eliminating the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from actual receipt of an improper benefit or profit in money, property or services or active and deliberate dishonesty that was established by a final judgment and was material to the cause of action. Our charter contains a provision that eliminates the liability of our directors and officers to the maximum extent permitted by Maryland law.

The MGCL requires us (unless our charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made a party by reason of his or her service in that capacity. The MGCL permits us to indemnify our present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that:

- act or omission of the director or officer was material to the matter giving rise to the proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

Under the MGCL, we may not indemnify a director or officer in a suit by us or in our right in which the director or officer was adjudged liable to us or in a suit in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. Nevertheless, a court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by us or in our right, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses.

In addition, the MGCL permits us to advance reasonable expenses to a director or officer upon our receipt of:

- written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by us; and
- a written undertaking by the director or officer or on the director's or officer's behalf to repay the amount paid or reimbursed by us if it is ultimately determined that the director or officer did not meet the standard of conduct.

Our charter authorizes us to obligate ourselves and our bylaws obligate us, to the fullest extent permitted by Maryland law in effect from time to time, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to:

- any present or former director or officer who is made or threatened to be made a party to or witness in the proceeding by reason of his or her service in that capacity; or
- any individual who, while a director or officer of our company and at our request, serves or has served as a director, officer, partner, manager, member or trustee of another corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or any other enterprise and who is made or threatened to be made a party to or witness in the proceeding by reason of his or her service in that capacity.

Our charter and bylaws also permit us to indemnify and advance expenses to any individual who served any predecessor of our company, in any of the capacities described above and any employee or agent of our company or a predecessor of our company.

We also expect to enter into indemnification agreements with each of our directors and executive officers that provide for indemnification to the maximum extent permitted by Maryland law.

Insofar as the foregoing provisions permit indemnification of directors, officers or persons controlling us for liability arising under the Securities Act, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 35. Treatment of Proceeds from Stock Being Registered.

None.

Item 36. Financial Statements and Exhibits

(a) See page F-1 for an index of the financial statements that are being filed as part of this registration statement.

(b) A list of exhibits filed with this registration statement on FormS-11 is set forth on the Exhibit Index and is incorporated herein by reference.

Item 37. Undertakings

(a) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby further undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to the registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and this offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of this offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser:

(i) Each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after

effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(d) The undersigned registrant hereby further undertakes to send to each shareholder at least on an annual basis a detailed statement of any transactions with its affiliates or the Operating Partnership and its affiliates, and of fees, commissions, compensation and other benefits paid, or accrued to its affiliates or the Operating Partnership and its affiliates for the fiscal year completed, showing the amount paid or accrued to each recipient and the services performed.

(e) The undersigned undertakes to file a sticker supplement pursuant to Rule 424(c) under the Securities Act during the distribution period describing each significant property not identified in the prospectus at such time as there arises a reasonable probability that such property will be acquired and to consolidate all such stickers into a post-effective amendment filed at least once every three months with the information contained in such amendment provided simultaneously to the existing stockholders. Each sticker supplement will disclose all compensation and fees received by the undersigned's affiliates in connection with any such acquisition. The post-effective amendment shall include or incorporate by reference audited financial statements meeting the requirements of Rule 8-06 of Regulation S-X that have been filed or should have been filed on Form 8-K for all significant properties acquired during the distribution period.

(f) The Company undertakes to file, after the distribution period, a current report on Form8-K containing the financial statements and any additional information required by Rule 8-06 of Regulation S-X, for each significant property acquired and to provide the information contained in such report to the stockholders at least once each quarter after the distribution period of the offering has ended.

EXHIBIT INDEX

The following exhibits are included in this registration statement on FormS-11 (and are numbered in accordance with Item 601 of RegulationS-K).

Exhibit Number	Exhibit Description
1.1	Form of Underwriting Agreement*
3.1	Articles of Amendment and Restatement of Generation Income Properties, Inc., incorporated by reference to Exhibit 2.1 of our Form1-A/A filed on January 28, 2016
3.2	Bylaws of Generation Income Properties, Inc., incorporated by reference to Exhibit 2.2 of our Form1-A filed on September 16, 2015
4.1	Second Amended and Restated Ownership Limit Waiver Agreement, incorporated by reference to Exhibit 3.5 of our Form1-A POS filed on March 29, 2018
4.2	Form of Stock Certificate, incorporated by reference to Exhibit 3.3 of our Form1-A filed on September 16, 2015
4.3	Amended and Restatement Agreement of Limited Partnership of Generation Income Properties, L.P., incorporated by reference to Exhibit 6.2 of our Form 1-A POS filed on March 29, 2018
5.1	Legal Opinion of Foley & Lardner LLP*
8.1	Tax Matters Opinion of Foley & Lardner LLP*
10.1	[Intentionally omitted.]
10.2	Purchase and Sale Agreement (Manteo, NC), dated August 24, 2018, incorporated by reference to Exhibit 6.1 of our Form1-U filed on August 20, 2019
10.3	First Amendment to Purchase Agreement (Manteo, NC), dated November 21, 2018, incorporated by reference to Exhibit 6.2 of our Form1-U filed on August 20, 2019
10.4	Loan Agreement dated April 4, 2018 by and among Generation Income Properties, Inc. and American Momentum Bank.
10.4.1	First Amendment to Loan Agreement dated August 27, 2019 by and among Generation Income Properties, Inc. and American Momentum Bank.
10.5	Loan Agreement dated December 20, 2018 by and among Generation Income Properties, Inc., as borrower, David E. Sobelman, as guarantor, and American Momentum Bank.
10.6	Loan Agreement dated September 11, 2019 by and among Generation Income Properties, Inc., as borrower, David E. Sobelman, as guarantor, and American Momentum Bank.
10.7	Note, Deed of Trust, Assignment of Leases and Rents, and Related Loan Documents Assignment, Assumption and Modification Agreement dated September 30, 2019 by and among Riverside Crossing, L.C., as original borrower, GIPVA 130 Corporate Blvd, LLC, as new borrower, Newport News Shipbuilding Employees; Credit Union, Inc. DBA BayPort Credit Union, and James B. Mears, as trustee.
10.8	Commercial Loan Agreement dated September 30, 2019, between GIPVA 2510 Walmer Ave, LLC and Newport News Shipbuilding Employees; Credit Union, Inc. DBA BayPort Credit Union.
10.9	Limited Guaranty Agreement made by David E. Sobelman in favor of American Momentum Bank effective as of April 4, 2018

10.10	Limited Guaranty Agreement made by David E. Sobelman in favor of American Momentum Bank effective as of December 20, 2018
10.11	Limited Guaranty Agreement made by David E. Sobelman in favor of American Momentum Bank effective as of September 11, 2019
10.12	Guaranty of Nonrecourse Carveout Liabilities and Obligations dated as of September 30, 2019 made by Generation Income Properties, L.P., Generation Income Properties, Inc. and David E. Sobelman in favor of Newport News Shipbuilding Employees' Credit Union, Inc. DBA Bayport Credit Union
10.13	Guaranty of Nonrecourse Carveout Liabilities and Obligations dated as of September 30, 2019 made by Generation Income Properties, L.P., Generation Income Properties, Inc. and David E. Sobelman in favor of Newport News Shipbuilding Employees' Credit Union, Inc. DBA Bayport Credit Union
10.14	Form of Director Indemnification Agreement+
10.15	Form of Director Restricted Stock Award Agreement+
10.16	Employment Agreement with David E. Sobelman (incorporated by reference to Exhibit 10.17 of the Company's Registration Statement on Form S-11 filed on December 26, 2019)+
10.17	Employment Agreement with Richard Russell (incorporated by reference to Exhibit 10.18 of the Company's Registration Statement on Form S-11 filed on December 26, 2019)+
10.18	$1.9 Million Secured Non-Convertible Promissory Note dated December 16, 2019 (incorporated by reference to Exhibit 6.1 of Form 1-U filed on December 19, 2019)
10.19	Security Agreement dated December 16, 2019 related to $1.9 Million Secured Non-Convertible Promissory Note (incorporated by reference to Exhibit 6.2 of Form 1-U filed on December 19, 2019)
10.20	Redemption Agreement by and between GIPAL JV 15091 SW ALABAMA 20, LLC and TC Huntsville, LLC dated December 18, 2019 (incorporated by reference to Exhibit 6.3 of Form 1-U filed on December 19, 2019)
10.21	Form of Officer Indemnification Agreement+
10.22	Form of Officer and Director Indemnification Agreement+
10.23	Property Management Agreement between 3 Properties LLC and Generation Income Properties Inc. (Walmer Avenue and Corporate Boulevard Properties)
10.24	Property Management Agreement between 3 Properties LLC and Generation Income Properties Inc. (Cocoa Property)
10.25	Property Management Agreement between 3 Properties LLC and Generation Income Properties Inc. (DC/Tampa/Alabama Properties)
10.26	Loan Agreement dated as of February 11, 2020 by and among GIPFL 1300 S DALE MABRY, LLC, GIPDC 3707 14TH ST, LLC and GIPAL JV 15091 SW ALABAMA 20, LLC, as borrowers, and DBR Investments Co. Limited
10.27	Guaranty of Recourse Obligations dated as of February 11, 2020 made by David Sobelman and Generation Income Properties, L.P. for the benefit of DBR Investments Co. Limited
21.1	List of Subsidiaries
23.1	Consent of MaloneBailey, LLP
23.2	Consent of Foley & Lardner LLP (included in Exhibits 5.1 and 8.1)*
24.1	Power of Attorney (included on signature page to registration statement)
99.1	Prior Performance Tables
99.2	Form of Lock-Up with Underwriter

* To be filed by amendment.
\+ Indicates management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-11 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Tampa, State of Florida, on the 14th day of February, 2020.

Generation Income Properties, Inc.

By: /s/ David Sobelman
David Sobelman
President (Principal Executive Officer)

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of David Sobelman and Richard Russell, or any of them, his true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including pre-effective and post-effective amendments) to this registration statement (and to any registration statement filed pursuant to Rule 462 under the Securities Act), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

NAME	CAPACITY	DATE
/s/ David Sobelman David Sobelman	President (Principal Executive Officer) and Chairman of the Board	February 14, 2020
/s/ Richard Russell Richard Russell	Chief Financial Officer (Principal Financial and Accounting Officer)	February 14, 2020
/s/ Benjamin Adams Benjamin Adams	Director	February 14, 2020
/s/ Patrick Quilty Patrick Quilty	Director	February 14, 2020
/s/ Betsy Peck Betsy Peck	Director	February 14, 2020
/s/ Stuart Eisenberg Stuart Eisenberg	Director	February 14, 2020

Exhibit 10.4

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is entered into as of the 4th day of April 2018. by and between AMERICAN MOMENTUM BANK, its successors and assigns, (the "Lender") and GENERATION INCOME PROPERTIES, INC. a Maryland corporation. (the "Borrower"). and is made in reference to the following facts:

(A) On or about the date hereof, Borrower is borrowing from the Lender a loan in the principal amount of 53,700,000.00 (the "Loan"), evidenced by a promissory note in the amount of 53,700,000.00 (the "Note"). The Note will be secured by (a) a first priority mortgage and a deed of trust to secure the debt, hypothecated and pledged in favor of Lender by single purpose entities ("SPEs"). wholly owned by Borrower or by its wholly owned subsidiary GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership; (b) Commercial Security Agreements of even date herewith (collectively, the "Security Agreement"); (c) additional assignments of management and marketing agreements; and (d) subordination and non-disturbance agreements (collectively the "Collateral").

(B) The Borrower has executed other instruments of security for the Note incident to the Loan, and all of such instruments, together with the Note and Instruments of Security. will be sometimes collectively referred to herein as the "Loan Documents",

(C) The Lender has required the execution of this Agreement as a condition to making the Loan to the Borrower, and the Borrower is agreeable to the same.

NOW THEREFORE. for and in consideration of the mutual covenants and conditions contained herein and other valuable consideration. the receipt and adequacy of which are hereby acknowledged. the parties covenant and agree as follows:

ARTICLE 1- INTRODUCTORY PROVISIONS

1.1 Recitals. The statements contained in the recitals of fact set forth above (the"Recitals") are true and correct, and the Recitals by this reference are made a part of this Agreement.

1.2 Exhibits. All exhibits attached to this Agreement are by this reference incorporated in and made a part hereof.

1.3 Abbreviations and Definitions. The following abbreviations and definitions will be used for purposes of this Agreement:

(a) The abbreviations for the parties set forth in the Preamble will be used for purposes of this Agreement,

(b) The abbreviations and definitions set forth in the Recitals will be used for purposes of this Agreement.

(c) "Events of Default" shall mean the events of default specified in Article Eleven of this Agreement and each of such events shall be an "Event of Default"

(d) "Lien" shall mean any mortgage, pledge, security interest, encumbrance, lien, or charge of any kind (including any agreement to give any of the foregoing, any conditional sales or other title retention agreements. or any lease in the nature thereof. and the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction).

(e) "Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which all of its records are kept, currently at 401 E. Jackson Street. Suite 3300, Tampa, Florida 33602.

(0 "Proceeds" shall mean whatever is received upon the sale, exchange, collection or other disposition of the Collateral.

(g) "UCC" shall mean the Florida Uniform Commercial Code, as amended.

ARTICLE n - LOAN

2.1 Loan. The parties hereto acknowledge and agree that the Note evidences a loan from Lender to Borrower in the original principal amount of $3.700.000.00. The Note is payable according to the terms thereof.

2.2 Depository Account. Borrower shall maintain its primary depository relationship with Lender, and shall cause the SPEs to maintain their primary depository relationships with Lender as well (which accounts shall be subject to Lender's right of offset in the event of a default by Borrower). Borrower maintains an account or accounts with Wells Fargo, and agrees that it shall move all such accounts to Lender, and in the interim shall establish an arrangement to sweep funds from the Wells Fargo accounts to accounts with Leader on a daily basis.

ARTICLE III - CROSS DEFAULT

The Borrower hereby acknowledges and agrees that a default under any other notes or other evidence of indebtedness or any instrument of security therefor in which the Borrower is liable and the Lender is the holder and which is not cured within the applicable grace or curative period therefor, if any, shall constitute a default under the Loan Documents.

ARTICLE IV - USURY

It is not the intention of the parties hereto to make any agreement which shall be violative of the laws of the State of Florida relating to usury. In no event shall Borrower or Lender accept or charge any interest which, together with any other charges upon the principal or any portion thereof. howsoever computed, shall exceed the maximum legal rate of interest allowable under the laws of the State of Florida. Should any provisions of this Agreement or any existing or future Note, Loan Agreements or any other agreements between the parties be construed to require the payment of interest which, together with any other charges upon the principal, or any portion thereof, exceeds such maximum legal rate of interest, then Borrower agrees that the amount of interest collected above the maximum rate permitted by applicable law, together with interest thereon at the rate required by applicable law, shall be refunded to Borrower, and Borrower agrees to accept such refund, or. at Borrower's option, such refund shall be applied as a principal payment on the Note.

ARTICLE V REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender, for itself and for any SPE from time to time pledging and hypothecating collateral for inclusion in the Collateral, as follows:

5.1 Organization, Standing, Corporate Power. Borrower is a corporation duly authorized and validly existing under the laws of the State of Maryland. The Borrower has appropriate power and authority to own its properties and to carry on its business as now being conducted, and the Borrower has appropriate power and authority to execute and perform this Agreement and to deliver the Note and all other documents. instruments and agreements provided for herein.

5,2 This Agreement. The execution and performance by the Borrower of this Agreement. the borrowing hereunder. and the execution and delivery of the Note and all other documents. instruments and agreements provided for herein (a) have been duly authorized by all requisite entity action: (b) will not violate any provision of law applicable to Borrower or of the Borrower's organizational documents; and (c) will not violate or be in conflict with. result in a breach of. or constitute a default under any indenture. agreement and other instrument to which the Borrower is a party or by which it or any of its properties is bound. or any order. writ. injunction or decree of any court or governmental-institution.

5,3 litigation. There are no actions, suits or proceedings pending. or. to the knowledge of the Borrower, threatened against or adversely affecting the Borrower at law or in equity or before or by any federal agency or instrumentality, which involve any of the transactions herein contemplated or the possibility of any judgment or liability which may result in any material, and adverse change in the business, operations. prospects, property or assets, or in the condition, financial or otherwise. of the Borrower. The Borrower is not in default with respect to any judgment. order. writ, injunction. decree, rule or regulation of any court. or federal, state, municipal or other governmental department.

5.4 Financial Statements. The Borrower has heretofore furnished to the lender balance sheets, annual statements, and other financial information which are. to the best of its knowledge, correct and complete in all material respects and accurately present the financial condition and the results of the operation of the Borrower as of the dales thereof. Since the date of the last furnishing of said financial statements. there has been no material adverse change in the financial condition of the Borrower.

5.5 Taxes. The Borrower has filed or caused to be filed all federal and state tax returns which, to the knowledge of the officers thereof, are required to be tiled. and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it and not being contested in good faith, to the extent that such taxes have become due.

5.6 Other instruments. Except as reflected on the financial statements referred to in Section 5.4, the Borrower is not a party to any agreement or instrument or subject to any chatter or other restrictions adversely affecting its business, properties or assets, operations or condition. financial or otherwise. The Borrower is in material compliance with all applicable regulatory requirements and all provisions of this Agreement.

5.7 Property and Assets. The Borrower has good and marketable title to all the property and assets reflected on the most recent financial statement furnished to the Lender, except such as have been disposed of in the ordinary course of business since the date of said financial statements and all such property and assets are free and clear of mortgages. pledges. liens, charges or other encumbrances, except as are reflected on the financial statements.

5.8 Regulation U. No part of the proceeds of any of the Loan will be used to purchase or carry, or to reduce or retire any loan incurred to purchase or carry, any margin stocks (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing Or carrying any such margin stocks. The Borrower is not engaged in the business of extending credit, nor is one of the Borrower's important activities extending of credit. for the purpose of purchasing or carrying such margin stocks. If requested by the Lender, the Borrower shall furnish to the Lender in connection with any loan hereunder a statement in conformity with the requirements of Federal Reserve Form U-1 referred to in said regulation.

5.9 Continuity of Representations and Warranties. All of the foregoing representations and warranties shall be true and correct at the time of the making of each advance under the Loan pursuant to this Agreement and thereafter until such Loan is paid in full as though made as of such time, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

5.10 No Governmental Restriction. There is no moratorium or like governmental order or restriction now in effect with respect to the Collateral and, to the best of Borrower's knowledge, no moratorium or similar ordinance or restriction is now contemplated.

ARTICLE VI - CONDITIONS PRECEDENT

The obligation of the Lender to make the Loan hereunder is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the date of such borrowing or disbursement. with the same force and effect as though such representations and warranties had been made on and as of such date, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

(b) No Default. At the time of each borrowing or disbursement hereunder, no Event of Default shall have occurred and be continuing (subject to applicable notice and cure periods).

(c) Officer's Certificate. If required by Lender, at the end of each calendar quarter, the Borrower shall deliver to the Lender a certificate signed by the Treasurer or Controller of the Borrower dated as of such date confirming that: no Event of Default then exists, and no event which would become an Event of Default upon notice or lapse of time or

both has occurred and is then continuing; there is no litigation or proceeding pending or, to the knowledge of Borrower, threatened against or affecting the Borrower, the result of which might substantially affect the financial condition, business or operations of the Borrower; and there has been no materially adverse change in the financial condition of the Borrower since the date of the latest financial statement of Borrower submitted to the Lender.

(d) [Intentionally Omitted]

(e) Liens and Encumbrances. The properties and assets of the Borrower, real, personal and mixed, are not subject to any liens, encumbrances or security interests or outstanding financing statements, whether filed or unfiled, except for liens for taxes not yet due and liens, encumbrances or security interests on personal or real property as reflected in the Borrower's most recently submitted financial statements, or as shown on the title policies insuring the lien of the mortgage and deed of trust securing the Loan.

(f) Authority. This Agreement and the other Loan Documents are valid and binding obligations of the Borrower, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally.

(g) [Intentionally Omitted]

ARTICLE VII - AFFIRMATIVE COVENANTS

The Borrower covenants and agrees with the Lender, on its own behalf and on the behalf of any SPEs hypothecating mortgages or deeds of trust or deeds to secure debt to Lender as part of the Collateral, that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will:

7.1 Entity Existence. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence, and all its rights, licenses, permits and franchises required at the date hereof, or which may be required in the future conduct of its business, and comply in all material respects with all laws and regulations applicable to it that materially affect the Borrower, and conduct and operate its business in the same lines and in substantially the same manner in which presently conducted and operated (subject to changes in the ordinary course of business), and at all times maintain, preserve and protect all property used and useful in the conduct of its business, and maintain same in good working order and condition, reasonable and ordinary wear, tear and depreciation excepted.

7.2 Insurance. Keep its insurable properties, if any, insured as required under the mortgage and deed of trust securing the Loan. Borrower will furnish Lender with copies of such insurance policies containing endorsements in favor of Lender as loss payee and mortgagee as its interest may appear on policies other than liability policies as provided in the mortgage and deed of trust securing the Loan.

7.3 Obligations and Taxes. Pay all indebtedness and obligations promptly and in accordance with the terms thereof, and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or in respect of its property, before the same shall become in default; provided, however, Borrower shall not be required to pay and discharge

or cause to be paid and discharged any such tax assessment, charge. levy or claim so long as the validity thereof shall be contested in good faith by appropriate proceedings and the Borrower shall set aside on its books adequate reserves with respect to any such tax. assessment, charge. levy or claim so contested.

7.4 Notice of Litigation. Furnish to Lender within ten (10) days alter service of process or equivalent notice, written notice of any litigation involving greater than FIFTY THOUSAND AND NO/100 DOLLARS ($50.000.00) in damages or otherwise in cost to Borrower, including arbitrations and of any proceeding by or before any governmental agency.

7.5 Notice of Certain Matters. Give prompt written notice to Lender of all Events of Default of which Borrower is aware; if applicable. changes in management, litigation, and of any other matter which has resulted in. or might result in. a materially adverse change in its financial condition or operation.

7,6 Accords. Keep and maintain full and accurate accounts and records of its operations and will permit Lender and its designated officers, employees. agents and representatives. to have access thereto and to make examination thereof upon not less than seventy-two (72) hours' notice at all reasonable times during normal business hours, to make audits. and to inspect and otherwise check its properties, real, personal and mixed.

7.7 Execution of Other Documents. Promptly. upon demand by Lender, execute. or cause the SPEs to execute, all such additional agreements. contracts. indentures, financing statements, documents and instruments in connection with this Agreement as Lender may reasonably deem necessary: (This authority shall be for ministerial matters only and shall not allow Lender to increase Borrower's liability under the loan.).

7.8 Financial Statements. The Borrower will provide to the Lender. in form and content acceptable to the Lender, the following:

(a) Quarterly financial statements of the Borrower rio later than 90 days after each quarter end.

(b) Annual audited financial statement of the Borrower no later than 120 days after fiscal year end.

(c) Annual tax returns of the Borrower not later than 30 days after filing.

(d) Quarterly bank statements of the Borrower no later than 15 days after each quarter end.

0) Quarterly REIT subscription numbers of the Borrower no later than 15 days after each quarter end.

Cl) All additional financial documents required to be provided to the SEC by Borrower.

(g) Customary commercial real estate project reporting and compliance information.

(h) Other information that may be reasonably required by the Lender and its legal counsel.

Notwithstanding anything to the contrary contained herein, so long as Borrower remains a publicly reporting company, it shall not be required to deliver any of the foregoing documents which are available through its public filings with the SEC.

7.9 Debt Service Coverage Ratio. Borrower will maintain a minimum debt service coverage ratio ("DSCR") of 1.10:1.0, measured annually based on its year and financial statements relating solely to the real estate Collateral, combining both parcels pledged as security, BEGINNING AS OF December 31, 2018.

DSCR shall be defined as the combined cash flow of the Collateral properties. divided by the then outstanding principal amount of the Loan. amortized over 25 years, using the then applicable five (5) year LIBOR swap rate plus 225 basis points.

7.10 Debt to Worth Ratio. Borrower's total outstanding debt divided by Borrower's net worth shall not exceed 0.5:1.0 measured annually during the term of the Loan. The first such test shall be as of December 31, 2018.

7.11 Subordination of Debt. Subordinate all cumulative officer and shareholder/member debt in excess of $100,000.00.

ARTICLE VIII - NEGATIVE COVENANTS

The Borrower covenants and agrees with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed under the Loan, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will not:

8.1 Notes. Accounts Receivable. Sell, discount or otherwise dispose of notes, accounts receivable or other rights to receive payments, with or without recourse, except for collection in the ordinary course of business.

8.2 Consolidations, Mergers. Sale of Business. During the term of the Loan, merge, consolidate, reclassify, or sell the business or any of its capital stock without the written approval of the Lender.

8.3 Loans. Make any loans to any person, firm or entity, nor become a guarantor or surety, nor pledge credit in any manner, directly or indirectly.

8.4 (Intentionally Omitted)

8.5 Liens, Incur, create, assume or permit to exist any mortgage, pledge, lien, charge. security interest or other encumbrance of any nature whatsoever on the property comprising, in part the Collateral, except to Lender, other than liens for taxes or assessments and similar charges either: (i) not delinquent; or (ii) being contested in good faith by appropriate proceedings and as to which the Borrower shall have set aside on its books adequate reserves.

8.6 Default Under Other Agreements or Contracts. Commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions of any other agreement. mortgage, contract, indenture. document or instrument executed by it, except those that may be contested in good faith. and would not, if' settled unfavorably, materially and adversely affect the financial condition of the Borrower.

8.7 Compliance with Law Generally. Be In violation in any material respect of any law, ordinance, governmental rules or regulations to which Borrower is subject and which is material to its business, or fail to obtain any licenses, permits. franchises or other governmental authorizations necessary to the ownership of the properties of Borrower or to the conduct of its business, which violation or failure to obtain might materially adversely affect the business. prospects. profits. properties or condition (financial or otherwise) of Borrower.

8.8 [Intentionally Omitted]

8.9 Management. Make any material change in its management or basic business, or enter into any merger, reorganization or acquisition transaction, without the express written permission of Lender, which shall not be unreasonably withheld or delayed.

8.10 [intentionally Omitted].

8,11 [Intentionally Omitted].

8,12 Additional Debt of Borrower or SPE.

(a) Obtain any secondary liens on property in the Collateral without prior approval of Lender. in Lender's sole and complete discretion.

ARTICLE IX - COLLATERAL

As security for the full and timely payment of the Note, together with interest thereon. as well as any renewals. modifications or extensions thereof. and to secure performance of the Loan Documents, the Borrower covenants and agrees to execute and deliver or to have the SPEs execute and deliver, mortgages. deeds of trust, deeds to secure debt, security agreements. assignments. subordination non-disturbance agreements. and financing statements in favor of Lender. in form and substance acceptable to Lender, granting to Lender a first priority mortgage, deed of trust or security deed lien, as applicable. in the properties comprising the Collateral and a perfected first security interest in fixtures and personal property described in any such mortgage, deed of trust or deed to secure debt, subject to no other liens, encumbrances, or security interests in and to the real property, and related personal property. comprising the Collateral ("Instruments of Security").

ARTICLE X - DEFAULTS AND REMEDIES

10.1 Events of Default. If any one or more of the following events (herein called "Events of Default") shall occur for any reason whatsoever (and whether such occurrences shall be voluntary or involuntary, or come about or be effected by operation of law or pursuant to or in compliance with any judgment. decree or order of any court. or any order, rule or regulation of an administrative or governmental body) and not be cured within any applicable cure period afforded by this Section 10.1. then Lender shall be entitled to the remedies set forth in Section 10.2 of this Agreement. The Events of Default shall include. but not be limited to, the following:

(a) Any representation or warranty made herein or in any report, certificate, financial statement or other instrument furnished by Borrower in connection with this Agreement, or the borrowing hereunder shall prove to be false or misleading in any material respect when made;

(b) Default shall occur in the payment of interest or principal on any indebtedness referred to herein, specifically including the Note, within ten (10) days of when and as the same shall become due and payable. whether at the due date thereof or by acceleration or otherwise, or failure of the Borrower to make payment of principal or interest on any other obligation for borrowed money owed to Lender, or in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause or permit the acceleration of the maturity thereof:

(c) Any default shall occur in the due observance or performance of any covenant, agreement or other provision of this Agreement or the instruments of Security referred to above other than for the payment of money, which is not cured within thirty (30) days after written notice thereof from Lender to Borrower, unless. however, such default cannot through the exercise of reasonable diligence be cured within such thirty (30) day period, in which case, Borrower shall have such longer period of time as is reasonably necessary to cure such default, but not longer than ninety (90) days in any and all events, provided that it commences such cure within the initial thirty (30) day period and thereafter diligently prosecutes such cure to completion;

(d) The Borrower or any Guarantor of the Loan (collectively the"Borrower Group") shall: (i) apply for or consent to the appointment of a receiver. trustee in bankruptcy for benefit of creditors, or liquidator of it or any of its property; (ii) admit in writing its inability to pay its debts as. they mature; (iii) make a general assignment for the benefit of creditors: (iv) be adjudicated a bankrupt or insolvent; (v) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors, or seeking to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, 'dissolution or liquidation law or statute or an answer admitting an act of bankruptcy alleged in a petition filed against it in any proceeding under any such law; (vi) take any action for the purposes of effecting any of the foregoing; or (vii) die and not be replaced by a substitute acceptable to Lender in its sole discretion within 120 days;•

(e) An order, judgment or decree shall be entered against any person or entity comprising the Borrower with the application, approval or consent of the entity by any court of competent jurisdiction, approving a petition seeking its reorganization or appointing a receiver, trustee or liquidator of any such party. or of all or a substantial part of the assets thereof, and such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) days from the date of entry thereof;

(f) Final judgments for the payment of money in excess of an aggregate of Fifty Thousand and No/100 Dollars ($50,000.00), excluding claims covered by insurance, shall be rendered against the Borrower and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, provided that a judgment shall be deemed "final" only when the time for appeal shall have expired without an appeal having been claimed, or all appeals and further review claimed to have been determined adversely to the Borrower:

(g) A material adverse change in the financial condition of the Borrower:

(h) A default in or breach of any covenant in the Loan Documents by Borrower or any SPE which is not cured within the applicable grace or curative period therefor.

10.2 Remedy. Upon the occurrence of any such Event of Default and after the curative periods therefor have run, Lender may. at its option. declare all indebtedness of principal and interest due and payable, whereupon the Note(notwithstanding any provisions hereof) shall be immediately due and payable, and Lender shall have and may exercise from time to time any and all rights and remedies available to it under any applicable law; and Borrower shall promptly pay all reasonable. actual, documented costs of Lender of collection of any and all liabilities, and enforcement of rights hereunder. including reasonable attorneys' fees. and legal expenses of any repairs to any of the Collateral, and expenses of repairs to any realty or other property to which any of the Collateral may be affixed. Actual, reasonable and documented expenses of retaking. holding, preparing for sale. selling, or the like. shall include Lender's reasonable attorney's fees and legal expenses. Upon disposition by Lender of any Collateral of Borrower in which Lender has a security interest. Borrower shall be and remain liable for any deficiency, and Lender shall account to Borrower for any surplus, and to hold the same as a reserve against all or any liabilities of Borrower to Lender whether or not they. or any of them be then due, and in such order of application as Lender may. from time to time. elect. All rights, powers and remedies contained herein or in any other agreement. instrument or document executed in connection herewith are cumulative. As to any default other than failure to pay sums due to Lender, and so long as the Lender's security is not impaired as determined in Lender's sole discretion. the afore-referenced curative period will be extended as long as Borrower is exercising reasonable good faith and diligence in curing such incident of default.

In addition to the foregoing. Lender may do any or all of the following to the maximum extent permitted under the laws of the State of Florida. or the District of Columbia, as appropriate, either in the name of Lender or in the name of Borrower:

(I) Enforce all rights of Borrower or SPE under any contracts made by Borrower or SPE in connection with the Collateral or may. if Lender deems it advisable. cancel any or all or such contracts.

(ii) Take over and use all or any part of the materials. supplies, fixtures. equipment and other personal property contracted for by Borrower or SPE.

ARTICLE XI - APPOINTMENT OF A RECEIVER

In case of default beyond the applicable curative period in any of the terms. covenants and provisions of the Agreement. or upon the institution of suit to enforce any rights and remedies of Lender hereunder. then Lender shall immediately and without notice, be entitled as a matter of right. and without regard to the value of the Collateral. or the solvency or insolvency of the Borrower. to the appointment of a Receiver of all assets of Borrower, with the usual powers of Receivers in such eases. said Receiver to continue to act for such period of time as the Court appointing said Receiver may deem just and proper.

ARTICLE TACT - MISCELLANEOUS

12.1 Notices. Any notice shall be conclusively deemed to have been received by the Borrower and be effective on the day on which delivered to the Borrower, or if sent by registered or certified mail, addressed to Borrower at its address herein stated, on the second business day after the day on which the return receipt indicates the notice was delivered. Notwithstanding anything to the contrary herein, all notices and communications to the Lender shall be directed to the following address:

American Momentum Bank
Attention: Commercial Loan Department
500 South Washington Boulevard
Sarasota, Florida 34236

12.2 Survival of Representations. All covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by Lender of the Loan herein contemplated and the execution and delivery to Lender of the Note evidencing such Loan and shall continue in full force and effect so long as any indebtedness created hereunder is outstanding and unpaid. All covenants and agreements by or on behalf of either party which are contained or incorporated in this Agreement shall bind and inure to the benefit of the successors and assigns of both parties hereto.

12.3 Effect of Delay. Neither any failure nor any delay on the part of lender in exercising any right, power or privilege hereunder or under the Note shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege.

12.4 Expenses. The Borrower will pay all out-of-pocket and documented expenses reasonably incurred by Lender in connection with the preparation of this Agreement, the borrowings hereunder, and the enforcement of the rights of Lender in connection with this Agreement, or with the Loan made or the Note issued hereunder, including but not limited to the fees of and expenses of counsel for Lender.

12.5 Modification and Waivers. No modification or waiver of any provision of this Agreement or of the Note nor consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower in any case shall thereby entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances.

12.6 ,Business Day. Should any installment on the Note become due and payable on other than a business day of the Lender, the maturity thereof shall be extended to the next succeeding business day with interest on the principal amount thereof at the rate set forth herein.

12.7 Remedies Cumulative. Any rights or remedies of the Lender hereunder or under the Note. or any other security agreement or writing shall be cumulative and in addition to every other right or remedy contained therein or herein. whether now existing or hereafter at law or in equity or by statute or otherwise.

12.8 Binding Agreement. This Agreement shall be binding upon the parties hereto and their successors and assigns and the terms hereof shall inure to the benefit of Lender and its successors and assigns.

12.9 Exhibits. All references to "Exhibits" contained herein are references to exhibits attached to the Agreement, the. terms and conditions of which are made a part hereof for all purposes. the same as if set forth herein verbatim.

12.10 Number and Gender of Words. Whenever herein the singular number is used. the same shall include the plural where appropriate. and words of any gender shell include each other gender where appropriate.

12.11 Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify. or modify the terms and provisions hereof.

12.12 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under*present* or future laws effective during the term of this Agreement. such provision shall be fully severable: this Agreement shall be construed and enforced as if such illegal. invalid. or unenforceable provision had never comprised a part.

12.13 All Loans One Loan. AU loans and/or advances made hereunder shall constitute one loan and the obligations of such loans and/or advances shall constitute one obligation secured by the Collateral provided for herein.

12.14 Governing Law. All documents executed pursuant to the transactions contemplated herein. including. without limitation. this Agreement and each of the Loan Documents. shall he deemed to be contracts made under. and for all purposes shall be construed in accordance with, the internal laws and judicial decisions of the State of Florida even though executed outside thereof; provided that this Section 12.14 shall not affect the applicability or. and interpretation or construction of. appropriate terms and provisions under the laws of any jurisdiction which govern the security interests. including mortgages. deeds of trust, and/or deeds to secure debt in any of the Collateral relating to real property, and related pledged personal property. which is within' the Collateral and located outside of the State of Florida, The Borrower hereby submits to the jurisdiction and venue of the state and federal courts of Florida for the purposes of resolving disputes hereunder or for the purposes of collection.

12.15 Counterparts. This Agreement may be executed in counterparts. each of which shall be deemed an original.

12.16. WAIVER OF JURY TRIAL. BORROWER AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER OR BORROWER, ON OR WITH RESPECT TO THIS LOAN AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. LENDER AND BORROWER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY AND WITH THE

ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, BORROWER WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS LOAN AGREEMENT AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS LOAN AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above set forth.

(Signature Page to Follow)

Signed and witnessed in the presence of

LENDER:

AMERICAN MOMENTUM BANK

By: /s/ Porter Smith
Its: Tampa Bay Market President

BORROWER:

GENERATION INCOME PROPERTIES, INC., a Maryland corporation

By: /s/ David E. Sobelman
Its: President

Exhibit 10.4.1

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (the "Agreement") is entered into as of the 27th day of August 2019, by and between AMERICAN MOMENTUM BANK, its successors an assigns (the "Lender"), and, GENERATION INCOME PROPERTIES, INC., a Maryland corporation (the "Borrower"), and is made in reference to the following facts:

RECITALS:

A. Lender and Borrower are parties to that certain Loan Agreement dated April 4, 2018, which Loan Agreement evidences Lender as the owner and holder of that certain Promissory Note dated April 4, 2018 in the original principal amount of $3,700,000.00 made by Borrower in favor of Lender (referred to herein as the "Note").

B. The Note is secured by, among other things, the following described document(s): (a) a first priority Mortgage, Hypothecation, Security Agreement, Assignment of Leases and Rents, and, Fixture Filing made by GIPFL 1300 S. DALE MABRY, LLC, a Delaware limited liability company, in favor of Lender, dated April 4, 2018 and recorded in the Public Records of Hillsborough County, Florida, Official Records Book 25678, Page 1756; (b) Commercial Security Agreement dated April 4, 2018 evidencing security interest in the following: (i) all accounts receivable of the Borrower, now or hereafter existing or acquired, which shall include any and all rights to payment, whether or not earned by performance, including but not limited to, payment for property or services sold, leased, rented, licensed or assigned. This includes any rights and interests (including all liens) which Borrower may have by law or agreement against any account or obligor of Borrower; (ii) any and all inventory of the Borrower, now or hereafter existing or acquired, held for ultimate sale or lease, or which has been or will be supplied under contracts of service, or which are raw materials, work in process, or materials used or consumed in Borrower's respective businesses; (iii) the Borrowers' rights, title and interest in and to any and all furniture, fixtures and equipment whether now or hereafter existing or now owned or hereafter acquired by Borrower and wheresoever located, (iv) any and all accessions and additions now or hereafter made or added to any of the items described above, any repair parts, substitutions, and replacements thereof, and all attachments and improvements now or hereafter placed upon or used in connection therewith or with any part thereof; all books and records and general intangibles pertaining to any of the above, and all proceeds or products of any of the above; (c) that certain Limited Guaranty Agreement from David E. Sobleman dated April 4, 2018; (d) that certain Assignment of Leases, Rents and Profits dated April 4, 2018 and recorded in the Public Records of Hillsborough County, Florida, Official Records Book 25678, Page 1776; and (e) that certain Subordination, Non-Disturbance and Attornment Agreement dated April 4, 2018 and recorded in the Public Records of Hillsborough County, Florida, Official Records Book 25690, Page 1405 (collectively, (the "Security Documents"),

C. The Note and the Security Documents are herein together sometimes called the "Loan Documents."

D. The loan evidenced and secured by the Note and the Security Documents is herein sometimes called the "Loan".

E. The current outstanding principal balance of the Note is $3,683,051.79

F. Borrower and Lender desire to modify the terms of the Loan Agreement, upon the terms and conditions set forth below.

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

1. Recitals. The foregoing recitals are hereby incorporated into and made a part of this Agreement.

2. Deletion of Section 7.10. Section 7.10 of the Loan Agreement titled *"Debt to Worth Ratio"* is hereby deleted in its entirety.

3. Expenses. Concurrently with the execution of this Agreement by Borrower, and as a condition to the effectiveness of this Agreement, Borrower shall reimburse Lender for all costs and expenses (including, without limitation, attorneys' fees and expenses) incurred by Lender in connection with this Agreement.

4. Repayment of Note. Nothing contained in this Agreement shall be deemed to modify the obligation of Borrower to make payments of interest in accordance with the terms of the Note, as modified and amended by this Agreement, all of which payments shall be made when due and payable.

5. Confirmation of Obligations.

(a) All references in the Security Documents to the Note shall be deemed to be a reference to the Note, as modified and amended by this Agreement.

(b) Borrower hereby confirms and reaffirms (i) all of its obligations under the Loan Documents, as modified and amended by this Agreement; (ii) that the Security Documents, as modified and amended by this Agreement, secure the Note, as modified and amended by this Agreement; and (iii) that the Loan Documents, as modified and amended by this Agreement, are and shall remain in full force and effect.

6. Certifications. Representations and Warranties. In order to induce Lender to enter into this Agreement, Borrower hereby certifies, represents and warrants to Lender that all certifications, representations and warranties contained in the Loan Documents and in all certificates heretofore delivered to Lender are true and correct as of the date hereof, and all such certifications, representations and warranties are hereby remade and made to speak as of the date of this Agreement.

7. Additional Certifications, Representations and Warranties. In addition to the certifications, representations and warranties set forth in the Loan Documents, Borrower hereby certifies, represents and warrants to Lender as follows:

(a) Borrower has the full right, power and authority to enter into and execute and deliver this Agreement and to otherwise perform and consummate the transactions contemplated by this Agreement.

(b) This Agreement has been duly executed and delivered by Borrower, and constitutes the valid and legally binding obligation of Borrower, enforceable in accordance with its terms.

(c) The execution and delivery of this Agreement and compliance with the provisions of this Agreement do not and will not conflict with or constitute a breach or violation of or default under any agreement or other instrument to which Borrower is a party, or by which Borrower is bound, or to which any of the properties of Borrower is subject, or any existing law, administrative regulation, court order or consent decree to which Borrower is subject.

(d) There is no litigation or administrative proceeding pending or threatened to restrain or enjoin the transactions contemplated by this Agreement or questioning the validity hereof, or in any way contesting the powers of Borrower, or in which an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by this Agreement.

(e) Borrower is in full compliance with all of the terms and conditions of this Agreement and of the Loan Documents, as modified and amended by this Agreement, and no event of default has occurred and is continuing with respect thereto, and no event has occurred and is continuing that, with the lapse of time or the giving of notice or both would constitute such an event of default; and Borrower does hereby release and waive any and all (i) defenses to payment of obligations under the Loan Documents, as modified and amended by this Agreement; and (ii) claims or causes of action which Borrower may have against Lender or its agents.

(f) Borrower does not now have or hold any defense to the performance of any of its obligations under the Loan Documents, as modified and amended by this Agreement, and does not have any claim against Lender which might be set off or credited against any payments due under the Loan Documents, as modified and amended by this Agreement.

(g) There are no actions at law, suits in equity or proceedings, pending or threatened, before any court, governmental agency, commission, bureau or tribunal, or any arbitration proceedings, involving Borrower that, if adversely determined, would materially affect the present condition, financial or otherwise, of Borrower.

(h) There are no pending or threatened bankruptcy or like proceedings against or involving Borrower under the Bankruptcy Code of the United States or any chapter thereof or any like statute, state or federal.

8. Not a Novation. Borrower and Lender expressly state, declare and acknowledge that this Agreement is intended only to modify Borrower's continuing obligations under the Loan Documents in the manner set forth herein, and is not intended as a novation.

9. Successors. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

10. Construction.

(a) The words "hereof', "herein", and "hereunder", and other words of similar import refer to this Agreement as a whole and not to the individual sections in which such terms are used.

(b) The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

(c) Where the context so requires, words used in singular shall include the plural and vice verse, and words of one gender shall include all other genders.

11. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

12. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida and the applicable laws of the United States of America.

[This Space Left Blank Intentionally — Signatures to Follow]

IN WITNESS WHEREOF, the Lender and Borrower hereto have executed this First Amendment to Loan Agreement the day and year first above set forth.

LENDER:

Signed and witnessed in the presence of: AMERICAN MOMENTUM BANK

/s/ Amy Homolka
Amy Homolka, Witness Print or type your name here

/s/ John Wulbern
John Wulbern, Witness Print or type your name here

By: /s/ Porter Smith
Porter Smith
Its: Tampa Bay Market President
(Seal)

GENERATION INCOME PROPERTIES, INC., a Maryland corporation

/s/ Emily Cusmano
Emily Cusmano, Witness

BORROWER:
Print or type your name here
Witness
Print or type your name here

By: /s/ David E. Sobelman
David E. Sobelman
Its: President
(Seal)

Exhibit 10.5

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is entered into as of the day of December, 2018 to be effective as of the 20th day of December, 2018, by and between **AMERICAN MOMENTUM BANK,** its successors and assigns (the "Lender"), and **GENERATION INCOME PROPERTIES, INC.,** a Maryland corporation (the "Borrower"), and **DAVID E. SOBELMAN,** an individual (hereinafter "Guarantor"), and is made in reference to the following facts (Lender, Borrower and Guarantor may be referred to collectively as the "Parties"):

(A) On or about the date hereof, Borrower is borrowing from the Lender a loan in the principal amount of $6,100,000.00 (the "Loan"), evidenced by a promissory note in the amount of $6,100,000.00 (the "Note"). The Note will be secured by (a) a first priority accommodation mortgage to secure the debt, hypothecated and pledged in favor of Lender by a single purpose entity, GIPAL JV 15091 SW ALABAMA 20, LLC, a Delaware limited liability company (the "SPE") which mortgage encumbers certain real property located in Limestone County, Alabama as same is more specifically identified in the mortgage (the "Property"); (b) Commercial Security Agreement of even date herewith (collectively, the "Security Agreement"); and (c) subordination and non-disturbance agreements (collectively the "Collateral").

(B) The Borrower has executed other instruments of security for the Note incident to the Loan, and all of such instruments, together with the Note and Instruments of Security, will be sometimes collectively referred to herein as the "Loan Documents".

(C) The Lender has required the execution of this Agreement as a condition to making the Loan to the Borrower, and the Borrower and Guarantor are agreeable to the same.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties covenant and agree as follows:

ARTICLE I—INTRODUCTORY PROVISIONS

1.1 Recitals. The statements contained in the recitals of fact set forth above (the "Recitals") are true and correct, and the Recitals by this reference are made a part of this Agreement.

1.2 Exhibits. All exhibits attached to this Agreement are by this reference incorporated in and made a part hereof

1.3 Abbreviations and Definitions. The following abbreviations and definitions will be used for purposes of this Agreement:

(a) The abbreviations for the Parties set forth in the Preamble will be used for purposes of this Agreement.

(b) The abbreviations and definitions set forth in the Recitals will be used for purposes of this Agreement.

(c) "Events of Default" shall mean the events of default specified in Article Eleven of this Agreement and each of such events shall be an "Event of Default".

(d) "Lien" shall mean any mortgage, pledge, security interest, encumbrance, lien, or charge of any kind (including any agreement to give any of the foregoing, any conditional sales or other title retention agreements, or any lease in the nature thereof, and the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction).

(e) "Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which all of its records are kept, currently at 401 E. Jackson Street, Suite 3300, Tampa, Florida 33602.

"Proceeds" shall mean whatever is received upon the sale, exchange, collection or other disposition of the Collateral.

(g) "UCC" shall mean the Florida Uniform Commercial Code, as amended.

ARTICLE II—LOAN

2.1 Loan. The Parties hereto acknowledge and agree that the Note evidences a loan from Lender to Borrower in the original principal amount of $6,100,000.00. The Note is payable according to the terms thereof.

2.2 Depository Account. Borrower shall maintain its primary depository relationship with Lender, and shall cause the SPE to maintain its primary depository relationship with Lender as well (which account shall be subject to Lender's right of offset in the event of a default by Borrower).

ARTICLE III—INTENTIONALLY DELETED

ARTICLE IV—USURY

It is not the intention of the Parties hereto to make any agreement which shall be violative of the laws of the State of Florida relating to usury. In no event shall Borrower or Lender accept or charge any interest which, together with any other charges upon the principal or any portion thereof, howsoever computed, shall exceed the maximum legal rate of interest allowable under the laws of the State of Florida. Should any provisions of this Agreement or any existing or future Note, Loan Agreements or any other agreements between the Parties be construed to require the payment of interest which, together with any other charges upon the principal, or any portion thereof, exceeds such maximum legal rate of interest, then Borrower agrees that the amount of interest collected above the maximum rate permitted by applicable law, together with interest thereon at the rate required by applicable law, shall be refunded to Borrower, and Borrower agrees to accept such refund, or, at Borrower's option, such refund shall be applied as a principal payment on the Note.

ARTICLE V—REPRESENTATIONS AND WARRANTIES

The Borrower and Guarantor represent and warrant to the Lender, for itself and for any SPE from time to time pledging and hypothecating collateral for inclusion in the Collateral, as follows:

5.1 Organization, Standing, Corporate Power. Borrower is a corporation duly authorized and validly existing under the laws of the State of Maryland. The Borrower has appropriate power and authority to own its properties and to carry on its business as now being conducted, and the Borrower has appropriate power and authority to execute and perform this Agreement and to deliver the Note and all other documents, instruments and agreements provided for herein. The Borrower shall preserve its legal existence and be qualified to do business in all jurisdictions where its ownership of property or nature of business requires such qualifications.

5.2 This Agreement. The execution and performance by the Borrower of this Agreement, the borrowing hereunder, and the execution and delivery of the Note and all other documents, instruments and agreements provided for herein (a) have been duly authorized by all requisite entity action; (b) will not violate any provision of law applicable to Borrower or of the Borrower's organizational documents; and (c) will not violate or be in conflict with, result in a breach of, or constitute a default under any indenture, agreement and other instrument to which the Borrower is a party or by which it or any of its properties is bound, or any order, writ, injunction or decree of any court or governmental institution.

5.3 Litigation. There are no actions, suits or proceedings pending, or, to the knowledge of the Borrower, threatened against or adversely affecting the Borrower or Guarantor at law or in equity or before or by any federal agency or instrumentality, which involve any of the transactions herein contemplated or the possibility of any judgment or liability which may result in any material and adverse change in the business, operations, prospects, property or assets, or in the condition, financial or otherwise, of the Borrower or Guarantor. The Borrower and/or Guarantor is not in default with respect to any judgment, order, writ, injunction, decree, rule or regulation of any court, or federal, state, municipal or other governmental department.

5.4 Financial Statements. The Borrower and Guarantor have heretofore furnished to the Lender balance sheets, annual statements, and other financial information which are, to the best of its knowledge, correct and complete in all material respects and accurately present the financial condition and the results of the operation of the Borrower as of the dates thereof. Since the date of the last furnishing of said financial statements, there has been no material adverse change in the financial condition of the Borrower.

5.5 Taxes. The Borrower and Guarantor have filed or caused to be filed all federal and state tax returns which, to the knowledge of the officers thereof, are required to be filed, and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it and not being contested in good faith, to the extent that such taxes have become due.

5.6 Other Instruments. Except as reflected on the financial statements referred to in Section 5.4, the Borrower is not a party to any agreement or instrument or subject to any charter or other restrictions adversely affecting its business, properties or assets, operations or condition, financial or otherwise. The Borrower is in material compliance with all applicable regulatory requirements and all provisions of this Agreement.

5.7 Property and Assets. The Borrower has good and marketable title to all the property and assets reflected on the most recent financial statement furnished to the Lender, except such as have been disposed of in the ordinary course of business since the date of said financial statements and all such property and assets are free and clear of mortgages, pledges, liens, charges or other encumbrances, except as are reflected on the financial statements.

5.8 Regulation U. No part of the proceeds of any of the Loan will be used to purchase or carry, or to reduce or retire any loan incurred to purchase or carry, any margin stocks (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any such margin stocks. The Borrower is not engaged in the business of extending credit, nor is one of the Borrower's important activities extending of credit, for the purpose of purchasing or carrying such margin stocks. If requested by the Lender, the Borrower shall furnish to the Lender in connection with any loan hereunder a statement in conformity with the requirements of Federal Reserve Form U-1 referred to in said regulation.

5.9 Continuity of Representations and Warranties. All of the foregoing representations and warranties shall be true and correct at the time of the making of each advance under the Loan pursuant to this Agreement and thereafter until such Loan is paid in full as though made as of such time, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

5.10 No Governmental Restriction. There is no moratorium or like governmental order or restriction now in effect with respect to the Collateral and, to the best of Borrower's knowledge, no moratorium or similar ordinance or restriction is now contemplated.

ARTICLE VI—CONDITIONS PRECEDENT

The obligation of the Lender to make the Loan hereunder is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the date of such borrowing or disbursement, with the same force and effect as though such representations and warranties had been made on and as of such date, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

(b) No Default. At the time of each borrowing or disbursement hereunder, no Event of Default shall have occurred and be continuing (subject to applicable notice and cure periods).

(c) Officer's Certificate. If required by Lender, at the end of each calendar quarter, the Borrower shall deliver to the Lender a certificate signed by the Treasurer or Controller of the Borrower dated as of such date confirming that: no Event of Default then exists, and no event which would become an Event of Default upon notice or lapse of time or

both has occurred and is then continuing; there is no litigation or proceeding pending or, to the knowledge of Borrower, threatened against or affecting the Borrower, the result of which might substantially affect the financial condition, business or operations of the Borrower; and there has been no materially adverse change in the financial condition of the Borrower since the date of the latest financial statement of Borrower submitted to the Lender.

(d) Environmental Report. A written report or reports (collectively,"Environmental Report") prepared at Borrower's sole cost and expense by an independent professional environmental consultant approved by Lender in its sole and absolute discretion, together with a reliance letter addressed to Lender or a separate agreement with such consultant permitting Lender to rely on such report. The Environmental Report shall be subject to Lender's approval in its sole and absolute discretion.

(e) Liens and Encumbrances. The properties and assets of the Borrower, real, personal and mixed, are not subject to any liens, encumbrances or security interests or outstanding financing statements, whether filed or unfiled, except for liens for taxes not yet due and liens, encumbrances or security interests on personal or real property as reflected in the Borrower's most recently submitted financial statements, or as shown on the title policies insuring the lien of the mortgage and deed of trust securing the Loan.

(f) Authority. This Agreement and the other Loan Documents are valid and binding obligations of the Borrower and Guarantor, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally.

ARTICLE VII—AFFIRMATIVE COVENANTS

The Borrower and Guarantor covenant and agree with the Lender, on its own behalf and on the behalf of any SPE hypothecating mortgages or deeds of trust or deeds to secure debt to Lender as part of the Collateral, that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will:

7.1 Entity Existence. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence, and all its rights, licenses, permits and franchises required at the date hereof, or which may be required in the future conduct of its business, and comply in all material respects with all laws and regulations applicable to it that materially affect the Borrower, and conduct and operate its business in the same lines and in substantially the same manner in which presently conducted and operated (subject to changes in the ordinary course of business), and at all times maintain, preserve and protect all property used and useful in the conduct of its business, and maintain same in good working order and condition, reasonable and ordinary wear, tear and depreciation excepted.

7.2 Insurance. Keep its insurable properties, if any, insured as required under the mortgage and deed of trust securing the Loan. Borrower will furnish Lender with copies of such insurance policies containing endorsements in favor of Lender as loss payee and mortgagee as its interest may appear on policies other than liability policies as provided in the mortgage and deed of trust securing the Loan.

7.3 Obligations and Taxes. Pay all indebtedness and obligations promptly and in accordance with the terms thereof, and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or in respect of its property, before the same shall become in default; provided, however, Borrower shall not be required to pay and discharge or cause to be paid and discharged any such tax assessment, charge, levy or claim so long as the validity thereof shall be contested in good faith by appropriate proceedings and the Borrower shall set aside on its books adequate reserves with respect to any such tax, assessment, charge, levy or claim so contested. Notwithstanding the foregoing, the parties acknowledge that the Property is approximately 5.8 acres of a total ad valorem tax parcel of 8.3 acres (the "Tax Parcel"). Borrower or SPE has an option to purchase the balance of this Tax Parcel. For so long as the Property is a portion of the Tax Parcel, Borrower covenants and agrees that it shall pay, or cause to be paid, in a timely manner before delinquency, the total tax bill for the Tax Parcel, notwithstanding that it is not now, and may not in the future, be the owner of the remaining portion of the Tax Parcel not included in the Property. Borrower and SPE acknowledge that this covenant is a material consideration for Lender entering into this Agreement, and, but for this covenant, Lender would not agree to make the Loan to Borrower.

7.4 Notice of Litigation. Furnish to Lender within ten (10) days after service of process or equivalent notice, written notice of any litigation involving greater than ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($150,000.00) in damages or otherwise in cost to Borrower, including arbitrations and of any proceeding by or before any governmental agency.

7.5 Notice of Certain Matters. Give prompt written notice to Lender of all Events of Default of which Borrower is aware; if applicable, changes in management, litigation, and of any other matter which has resulted in, or might result in, a materially adverse change in its financial condition or operation.

7.6 Records. Keep and maintain full and accurate accounts and records of its operations and will permit Lender and its designated officers, employees, agents and representatives, to have access thereto and to make examination thereof upon not less than seventy-two (72) hours' notice at all reasonable times during normal business hours, to make audits, and to inspect and otherwise check its properties, real, personal and mixed.

7.7 Execution of Other Documents. Promptly, upon demand by Lender, execute, or cause the SPE to execute, all such additional agreements, contracts, indentures, financing statements, documents and instruments in connection with this Agreement as Lender may reasonably deem necessary. (This authority shall be for ministerial matters only and shall not allow Lender to increase Borrower's liability under the loan.).

7.8 Financial Statements. The Borrower will provide to the Lender, in form and content acceptable to the Lender, the following:

(a) Company prepared quarterly financial statements of the Borrower no later than 90 days after each quarter end;

(b) Annual audited financial statement of the Borrower no later than 120 days after fiscal year end;

(c) Annual tax returns of the Borrower and Guarantor not later than 30 days after filing;

(d) Fully-executed lease agreements or amendments on all real estate properties subject to a mortgage or deed of trust in favor of Lender within ten (10) days of execution thereof;

(e) Quarterly REIT subscription numbers of the Borrower no later than 15 days after each quarter end;

(f) All additional financial documents required to be provided to the SEC by Borrower shall be provided to Lender within fifteen (15) days of filing;

(g) Customary commercial real estate reporting and compliance information; and

(h) Other information that may be reasonably required by the Lender and its legal counsel.

Notwithstanding anything to the contrary contained herein, so long as Borrower remains a publicly reporting company, it shall not be required to deliver any of the foregoing documents which are available through its public filings with the SEC.

7.9 Debt Service Coverage Ratio. Borrower will maintain a minimum debt service coverage ratio ("DSCR") of 1.10:1.0, measured annually based on its year end financial statements relating solely to the real estate Collateral, beginning as of December 31, 2019.

DSCR shall be defined as the combined net operating income of the Collateral properties, less a three percent (3.0%) management fee, and, less a two percent (2.0%) replacement reserve, divided by the then outstanding principal amount of the Loan, amortized over 25 years, using the then applicable five (5) year LIBOR swap rate plus 225 basis points.

7.10 Intentionally Deleted.

7.11 Subordination of Debt. Subordinate all cumulative officer and shareholder/ member debt in excess of $100,000.00.

ARTICLE VIII—NEGATIVE COVENANTS

The Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed under the Loan, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will not:

8.1 Notes. Accounts Receivable. Sell, discount or otherwise dispose of notes, accounts receivable or other rights to receive payments, with or without recourse, except for collection in the ordinary course of business.

8.2 Consolidations, Mergers, Sale of Business. During the term of the Loan, merge, consolidate, reclassify, or sell the business or any of its capital stock without the written approval of the Lender.

8.3 Loans. Make any loans to any person, firm or entity, nor become a guarantor or surety, nor pledge credit in any manner, directly or indirectly.

8.4 [Intentionally Omitted]

8.5 Liens. Incur, create, assume or permit to exist any mortgage, pledge, lien, charge, security interest or other encumbrance of any nature whatsoever on the property comprising, in part the Collateral, except to Lender, other than liens for taxes or assessments and similar charges either: (i) not delinquent; or (ii) being contested in good faith by appropriate proceedings and as to which the Borrower shall have set aside on its books adequate reserves.

8.6 Default Under Other Agreements or Contracts. Commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions of any other agreement, mortgage, contract, indenture, document or instrument executed by it, except those that may be contested in good faith, and would not, if settled unfavorably, materially and adversely affect the financial condition of the Borrower.

8.7 Compliance with Law Generally. Be in violation in any material respect of any law, ordinance, governmental rules or regulations to which Borrower is subject and which is material to its business, or fail to obtain any licenses, permits, franchises or other governmental authorizations necessary to the ownership of the properties of Borrower or to the conduct of its business, which violation or failure to obtain might materially adversely affect the business, prospects, profits, properties or condition (financial or otherwise) of Borrower.

8.8 [Intentionally Omitted]

8.9 Management. Make any material change in its management or basic business, or enter into any merger, reorganization or acquisition transaction, without the express written permission of Lender, which shall not be unreasonably withheld or delayed.

8.10 [Intentionally Omitted].

8.11 I Intentionally Omitted].

8.12 Additional Debt of Borrower or SPE.

(a) Obtain any secondary liens on property in the Collateral without prior approval of Lender, in Lender's sole and complete discretion.

ARTICLE IX—COLLATERAL

As security for the full and timely payment of the Note, together with interest thereon, as well as any renewals, modifications or extensions thereof, and to secure performance of the Loan Documents, the Borrower and Guarantor covenant and agree to execute and deliver or to have the SPE execute and deliver, mortgages, deeds of trust, deeds to secure debt, security agreements, assignments, subordination non-disturbance agreements, and financing statements in favor of Lender, in form and substance acceptable to Lender, granting to Lender a first priority mortgage, deed of trust or security deed lien, as applicable, in the properties comprising the Collateral and a perfected first security interest in fixtures and personal property described in any such mortgage, deed of trust or deed to secure debt, subject to no other liens, encumbrances, or security interests in and to the real property, and related personal property, comprising the Collateral ("Instruments of Security").

ARTICLE X—DEFAULTS AND REMEDIES

10.1 Events of Default. If any one or more of the following events (herein called "Events of Default") shall occur for any reason whatsoever (and whether such occurrences shall be voluntary or involuntary, or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body) and not be cured within any applicable cure period, then Lender shall be entitled to the remedies set forth in Section 10.2 of this Agreement. The Events of Default shall include, but not be limited to, the following:

(a) Any representation or warranty made herein or in any report, certificate, financial statement or other instrument furnished by Borrower in connection with this Agreement, or the borrowing hereunder shall prove to be false or misleading in any material respect when made;

(b) Default shall occur in the payment of interest or principal on any indebtedness referred to herein, specifically including the Note, within ten (10) days of when and as the same shall become due and payable, whether at the due date thereof or by acceleration or otherwise, or failure of the Borrower to make payment of principal or interest on any other obligation for borrowed money owed to Lender, or in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause or permit the acceleration of the maturity thereof;

(c) Any default shall occur in the due observance or performance of any covenant, agreement or other provision of this Agreement or the Instruments of Security referred to above other than for the payment of money, which is not cured within thirty (30) days after written notice thereof from Lender to Borrower, unless, however, such default cannot through the exercise of reasonable diligence be cured within such thirty (30) day period, in which case, Borrower shall have such longer period of time as is reasonably necessary to cure such default, but not longer than ninety (90) days in any and all events, provided that it commences such cure within the initial thirty (30) day period and thereafter diligently prosecutes such cure to completion;

(d) The Borrower or any Guarantor of the Loan (collectively the "Borrower Group") shall: (i) apply for or consent to the appointment of a receiver, trustee in bankruptcy for benefit of creditors, or liquidator of it or any of its property; (ii) admit in writing its inability to pay its debts as they mature; (iii) make a general assignment for the benefit of creditors; (iv) be adjudicated a bankrupt or insolvent; (v) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors, or seeking to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute or an answer admitting an act of bankruptcy alleged in a petition filed against it in any proceeding under any such law; (vi) take any action for the purposes of effecting any of the foregoing; or (vii) die and not be replaced by a substitute acceptable to Lender in its sole discretion within 120 days;

(e) An order, judgment or decree shall be entered against any person or entity comprising the Borrower with the application, approval or consent of the entity by any court of competent jurisdiction, approving a petition seeking its reorganization or appointing a receiver, trustee or liquidator of any such party, or of all or a substantial part of the assets thereof, and such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) days from the date of entry thereof;

(f) Final judgments for the payment of money in excess of an aggregate of Fifty Thousand and No/100 Dollars ($50,000.00), excluding claims covered by insurance, shall be rendered against the Borrower and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, provided that a judgment shall be deemed "final" only when the time for appeal shall have expired without an appeal having been claimed, or all appeals and further review claimed to have been determined adversely to the Borrower;

(g) A material adverse change in the financial condition of the Borrower or Guarantor, in Lender's reasonable business judgment;

(h) A default in or breach of any covenant in the Loan Documents by Borrower or any SPE which is not cured within the applicable grace or curative period therefor.

10.2 Remedy. Upon the occurrence of any such Event of Default and after the curative periods therefor have run, Lender may, at its option, declare all indebtedness of principal and interest due and payable, whereupon the Note, (notwithstanding any provisions hereof) shall be immediately due and payable, and Lender shall have and may exercise from time to time any and all rights and remedies available to it under any applicable law; and Borrower shall promptly pay all reasonable, actual, documented costs of Lender of collection of any and all liabilities, and enforcement of rights hereunder, including reasonable attorneys' fees, and legal expenses of any repairs to any of the Collateral, and expenses of repairs to any realty or other property to which any of the Collateral may be affixed. Actual, reasonable and documented expenses of retaking, holding, preparing for sale, selling, or the like, shall include Lender's reasonable attorney's fees and legal expenses. Upon disposition by Lender of any Collateral of Borrower in which Lender has a security interest, Borrower shall be and remain liable for any deficiency, and Lender shall account to Borrower for any surplus, and to hold the same as a reserve against all or any liabilities of Borrower to Lender whether or not they, or any of them be then due, and in such order of application as Lender may, from time to time, elect. All rights, powers and remedies contained herein or in any other agreement, instrument or document executed in connection herewith are cumulative. As to any default other than failure to pay sums due to Lender, and so long as the Lender's security is not impaired as determined in Lender's sole discretion, the afore-referenced curative period will be extended as long as Borrower is exercising reasonable good faith and diligence in curing such incident of default.

In addition to the foregoing, Lender may do any or all of the following to the maximum extent permitted under the laws of the State of Florida, either in the name of Lender or in the name of Borrower:

(i) Enforce all rights of Borrower or SPE under any contracts made by Borrower or SPE in connection with the Collateral or may, if Lender deems it advisable, cancel any or all of such contracts.

ARTICLE XI—APPOINTMENT OF A RECEIVER

In case of default beyond the applicable curative period in any of the terms, covenants and provisions of the Agreement, or upon the institution of suit to enforce any rights and remedies of Lender hereunder, then Lender shall immediately and without notice, be entitled as a matter of right, and without regard to the value of the Collateral, or the solvency or insolvency of the Borrower, to the appointment of a Receiver of all assets of Borrower, with the usual powers of Receivers in such cases, said Receiver to continue to act for such period of time as the Court appointing said Receiver may deem just and proper.

ARTICLE XII—MISCELLANEOUS

12.1 Notices. All notices which are required or permitted hereunder must be in writing and shall be deemed to have been given, delivered or made, as the case may be (notwithstanding lack of actual receipt by the addressee) (i) when delivered by personal delivery, (ii) three (3) days after having been deposited in the United States mail, certified or registered, return receipt requested, sufficient postage affixed and prepaid, or (iii) one (1) day after having been deposited with an expedited, overnight courier service (such as Federal Express), addressed to the party to whom notice is intended to be given at the address set forth below.

If to Borrower:	**Generation Income Properties, Inc.** **401 E. Jackson Street, Suite 3300** **Tampa, Florida 33602**
If to SPE:	**GIPAL JV 15091 SW ALABAMA 20, LLC** **401 E. Jackson Street, Suite 3300** **Tampa, Florida 33602**
If to Guarantor:	**David E. Sobelman** **3117 West Oaklyn Avenue** **Tampa, Florida 33609**
If to Borrower, SPE, or Guarantor, with copy to:	**Trenam Law** **200 Central Avenue, Suite 1600** **St. Petersburg, FL 33701** **Attention: Tim Hughes, Esq.**
If to Lender:	**American Momentum Bank** **Attention: Commercial Loan Department** **500 South Washington Boulevard** **Sarasota, Florida 34236**

Any party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by giving of fifteen (15) days' notice to all other parties in the manner set forth herein.

12.2 Survival of Representations. All covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by Lender of the Loan herein contemplated and the execution and delivery to Lender of the Note evidencing such Loan and shall continue in full force and effect so long as any indebtedness created hereunder is outstanding and unpaid. All covenants and agreements by or on behalf of either party which are contained or incorporated in this Agreement shall bind and inure to the benefit of the successors and assigns of all Parties hereto.

12.3 Effect of Delay. Neither any failure nor any delay on the part of Lender in exercising any right, power or privilege hereunder or under the Note shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege.

12.4 Expenses. The Borrower and/or Guarantor will pay all out-of-pocket and documented expenses reasonably incurred by Lender in connection with the preparation of this Agreement, the borrowings hereunder, and the enforcement of the rights of Lender in connection with this Agreement, or with the Loan made or the Note issued hereunder, including but not limited to the fees of and expenses of counsel for Lender.

12.5 Modification and Waivers. No modification or waiver of any provision of this Agreement or of the Note nor consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower in any case shall thereby entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances.

12.6 Business Day. Should any installment on the Note become due and payable on other than a business day of the Lender, the maturity thereof shall be extended to the next succeeding business day with interest on the principal amount thereof at the rate set forth herein.

12.7 Remedies Cumulative. Any rights or remedies of the Lender hereunder or under the Note, or any other security agreement or writing shall be cumulative and in addition to every other right or remedy contained therein or herein, whether now existing or hereafter at law or in equity or by statute or otherwise.

12.8 Binding Agreement. This Agreement shall be binding upon the Parties hereto and their successors and assigns and the terms hereof shall inure to the benefit of Lender and its successors and assigns.

12.9 Exhibits. All references to "Exhibits" contained herein are references to exhibits attached to the Agreement, the terms and conditions of which are made a part hereof for all purposes, the same as if set forth herein verbatim.

12.10 Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where appropriate.

12.11 Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof

12.12 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part.

12.13 All Loans One Loan. All loans and/or advances made hereunder shall constitute one loan and the obligations of such loans and/or advances shall constitute one obligation secured by the Collateral provided for herein.

12.14 Governing Law. All documents executed pursuant to the transactions contemplated herein, including, without limitation, this Agreement and each of the Loan Documents, shall be deemed to be contracts made under, and for all purposes shall be construed in accordance with, the internal laws and judicial decisions of the State of Florida; provided that this Section 12.14 shall not affect the applicability of, and interpretation or construction of, appropriate terms and provisions under the laws of any jurisdiction which govern the security interests, including mortgages, deeds of trust, and/or deeds to secure debt in any of the Collateral relating to real property, and related pledged personal property, which is within the Collateral and located outside of the of the State of Florida. The Borrower hereby submits to the jurisdiction and venue of the state and federal courts of Thirteenth Circuit Court for Hillsborough County, Florida or the U.S. Middle District of Florida, respectively, for the purposes of resolving disputes hereunder or for the purposes of collection.

12.15 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

12.16. **WAIVER OF JURY TRIAL. BORROWER, GUARANTOR AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER, BORROWER OR GUARANTOR, ON OR WITH RESPECT TO THIS LOAN AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, BORROWER AND GUARANTOR WAIVE ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER AND GUARANTOR**

ACKNOWLEDGE AND AGREE THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS LOAN AGREEMENT AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER AND/OR GUARANTOR IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS LOAN AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first above set forth.

(Signature Page to Follow)

Signed and witnessed in the presence of:

LENDER:

AMERICAN MOMENTUM BANK

By: _____
Porter Smith
Its: Tampa Bay Market President
(Seal)

BORROWER:

GENERATION INCOME PROPERTIES, INC., a Maryland corporation

By: _____
David E. Sobelman
Its: President
(Seal)

GUARANTOR:

DAVID E. SOBELMAN

By: _____
David E. Sobelman

Exhibit 10.6

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is entered into as of the 11th day of September, 2019, by and between**AMERICAN MOMENTUM BANK**, its successors and assigns, (the "Lender") and **GENERATION INCOME PROPERTIES, INC.**, a Maryland corporation, (the "Borrower"), and **DAVID E. SOBELMAN**, an individual ("Guarantor"), and is made in reference to the following facts:

(A) On or about the date hereof, Borrower is borrowing from the Lender a loan in the principal amount of $3,407,391.00 (the "Loan"), evidenced by a promissory note in the amount of $3,407,391.00 (the "Note"). The Note will be secured by (a) a first priority Mortgage, Hypothecation, Security Agreement, Assignment of Leases and Rents, and Fixture Filing, in favor of Lender by single purpose entity, **GIPFL JV 1106 CLEARLAKE ROAD, LLC,** a Delaware limited liability company ("SPE"), wholly owned by Borrower or by its wholly owned subsidiary GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership; (b) Commercial Security Agreement of even date herewith (the "Security Agreement"); (c) subordination and non-disturbance agreement (collectively the "Collateral"); and (d) Limited Guaranty executed by the Grantor.

(B) The Borrower has executed other instruments incident to the Loan, and all of such instruments, together with the Note and Instruments of Security, will be sometimes collectively referred to herein as the "Loan Documents".

(C) The Lender has required the execution of this Agreement as a condition to making the Loan to the Borrower, and the Borrower is agreeable to the same.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties covenant and agree as follows:

ARTICLE I - INTRODUCTORY PROVISIONS

1.1 Recitals. The statements contained in the recitals of fact set forth above (the "Recitals") are true and correct, and the Recitals by this reference are made a part of this Agreement.

1.2 Exhibits. All exhibits attached to this Agreement are by this reference incorporated in and made a part hereof.

1.3 Abbreviations and Definitions. The following abbreviations and definitions will be used for purposes of this Agreement:

(a) The abbreviations for the parties set forth in the Preamble will be used for purposes of this Agreement.

(b) The abbreviations and definitions set forth in the Recitals will be used for purposes of this Agreement.

(c) "Events of Default" shall mean the events of default specified in Article Eleven of this Agreement and each of such events shall be an "Event of Default".

(d) "Lien" shall mean any mortgage, pledge, security interest, encumbrance, lien, or charge of any kind (including any agreement to give any of the foregoing, any conditional sales or other title retention agreements, or any lease in the nature thereof, and the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction).

(e) "Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which all of its records are kept, currently at 401 E. Jackson Street, Suite 3300, Tampa, Florida 33602.

(f) "Proceeds" shall mean whatever is received upon the sale, exchange, collection or other disposition of the Collateral.

(g) "UCC" shall mean the Florida Uniform Commercial Code, as amended.

ARTICLE II - LOAN

2.1 Loan. The parties hereto acknowledge and agree that the Note evidences a loan from Lender to Borrower in the original principal amount of $3,407,391.00. The Note is payable according to the terms thereof.

2.2 Depository Account. Borrower shall maintain its primary depository relationship with Lender, and shall cause the SPE to maintain its primary depository relationship with Lender as well (which accounts shall be subject to Lender's right of offset in the event of a default by Borrower).

ARTICLE III - CROSS DEFAULT

The Borrower hereby acknowledges and agrees that a default under any other notes or other evidence of indebtedness or any instrument of security therefor in which the Borrower is liable and the Lender is the holder and which is not cured within the applicable grace or curative period therefor, if any, shall constitute a default under the Loan Documents.

ARTICLE IV - USURY

It is not the intention of the parties hereto to make any agreement which shall be violative of the laws of the State of Florida relating to usury. In no event shall Borrower or Lender accept or charge any interest which, together with any other charges upon the principal or any portion thereof, howsoever computed, shall exceed the maximum legal rate of interest allowable under the laws of the State of Florida. Should any provisions of this Agreement or any existing or future Note, Loan Agreement or any other agreements between the parties be construed to require the payment of interest which, together with any other charges upon the principal, or any portion thereof, exceeds such maximum legal rate of interest, then Borrower agrees that the amount of interest collected above the maximum rate permitted by applicable law, together with interest thereon at the rate required by applicable law, shall be refunded to Borrower, and Borrower agrees to accept such refund, or, at Borrower's option, such refund shall be applied as a principal payment on the Note.

ARTICLE V - REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender, for itself and for any SPE from time to time pledging and hypothecating collateral for inclusion in the Collateral, as follows:

5.1 Organization, Standing, Corporate Power. Borrower is a corporation duly authorized and validly existing under the laws of the State of Maryland. The Borrower has appropriate power and authority to own its properties and to carry on its business as now being conducted, and the Borrower has appropriate power and authority to execute and perform this Agreement and to deliver the Note and all other documents, instruments and agreements provided for herein.

5.2 This Agreement. The execution and performance by the Borrower of this Agreement, the borrowing hereunder, and the execution and delivery of the Note and all other documents, instruments and agreements provided for herein (a) have been duly authorized by all requisite entity action; (b) will not violate any provision of law applicable to Borrower or of the Borrower's organizational documents; and (c) will not violate or be in conflict with, result in a breach of, or constitute a default under any indenture, agreement and other instrument to which the Borrower is a party or by which it or any of its properties is bound, or any order, writ, injunction or decree of any court or governmental institution.

5.3 Litigation. There are no actions, suits or proceedings pending, or, to the knowledge of the Borrower, threatened against or adversely affecting the Borrower at law or in equity or before or by any federal agency or instrumentality, which involve any of the transactions herein contemplated or the possibility of any judgment or liability which may result in any material and adverse change in the business, operations, prospects, property or assets, or in the condition, financial or otherwise, of the Borrower. The Borrower is not in default with respect to any judgment, order, writ, injunction, decree, rule or regulation of any court, or federal, state, municipal or other governmental department.

5.4 Financial Statements. The Borrower has heretofore furnished to the Lender balance sheets, annual statements, and other financial information which are, to the best of its knowledge, correct and complete in all material respects and accurately present the financial condition and the results of the operation of the Borrower as of the dates thereof. Since the date of the last furnishing of said financial statements, there has been no material adverse change in the financial condition of the Borrower.

5.5 Taxes. The Borrower has filed or caused to be filed all federal and state tax returns which, to the knowledge of the officers thereof, are required to be filed, and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it and not being contested in good faith, to the extent that such taxes have become due.

5.6 Other Instruments. Except as reflected on the financial statements referred to in Section 5.4, the Borrower is not a party to any agreement or instrument or subject to any charter or other restrictions adversely affecting its business, properties or assets, operations or condition, financial or otherwise. The Borrower is in material compliance with all applicable regulatory requirements and all provisions of this Agreement.

5.7 Property and Assets. The Borrower has good and marketable title to all the property and assets reflected on the most recent financial statement furnished to the Lender, except such as have been disposed of in the ordinary course of business since the date of said financial statements and all such property and assets are free and clear of mortgages, pledges, liens, charges or other encumbrances, except as are reflected on the financial statements.

5.8 Regulation U. No part of the proceeds of any of the Loan will be used to purchase or carry, or to reduce or retire any loan incurred to purchase or carry, any margin stocks (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any such margin stocks. The Borrower is not engaged in the business of extending credit, nor is one of the Borrower's important activities extending of credit, for the purpose of purchasing or carrying such margin stocks. If requested by the Lender, the Borrower shall furnish to the Lender in connection with any loan hereunder a statement in conformity with the requirements of Federal Reserve Form U-1 referred to in said regulation.

5.9 Continuity of Representations and Warranties. All of the foregoing representations and warranties shall be true and correct at the time of the making of each advance under the Loan pursuant to this Agreement and thereafter until such Loan is paid in full as though made as of such time, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

5.10 No Governmental Restriction. There is no moratorium or like governmental order or restriction now in effect with respect to the Collateral and, to the best of Borrower's knowledge, no moratorium or similar ordinance or restriction is now contemplated.

ARTICLE VI - CONDITIONS PRECEDENT

The obligation of the Lender to make the Loan hereunder is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the date of such borrowing or disbursement, with the same force and effect as though such representations and warranties had been made on and as of such date, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

(b) No Default. At the time of each borrowing or disbursement hereunder, no Event of Default shall have occurred and be continuing (subject to applicable notice and cure periods).

(c) Officer's Certificate. If required by Lender, at the end of each calendar quarter, the Borrower shall deliver to the Lender a certificate signed by the Treasurer or Controller of the Borrower dated as of such date confirming that: no Event of Default then exists, and no event which would become an Event of Default upon notice or lapse of time or both has occurred and is then continuing; there is no litigation or proceeding pending or, to the knowledge of Borrower, threatened against or affecting the Borrower, the result of which might substantially affect the financial condition, business or operations of the Borrower; and there has been no materially adverse change in the financial condition of the Borrower since the date of the latest financial statement of Borrower submitted to the Lender.

(d) [Intentionally Omitted]

(e) Liens and Encumbrances. The properties and assets of the Borrower, real, personal and mixed, are not subject to any liens, encumbrances or security interests or outstanding financing statements, whether filed or unfiled, except for liens for taxes not yet due and liens, encumbrances or security interests on personal or real property as reflected in the Borrower's most recently submitted financial statements, or as shown on the title policies insuring the lien of the mortgage and deed of trust securing the Loan.

(f) Authority. This Agreement and the other Loan Documents are valid and binding obligations of the Borrower, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally.

(g) [Intentionally Omitted]

ARTICLE VII - AFFIRMATIVE COVENANTS

The Borrower covenants and agrees with the Lender, on its own behalf and on the behalf of the SPE hypothecating a mortgage to secure debt to Lender as part of the Collateral, that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will:

7.1 Entity Existence. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence, and all its rights, licenses, permits and franchises required at the date hereof, or which may be required in the future conduct of its business, and comply in all material respects with all laws and regulations applicable to it that materially affect the Borrower, and conduct and operate its business in the same lines and in substantially the same manner in which presently conducted and operated (subject to changes in the ordinary course of business), and at all times maintain, preserve and protect all property used and useful in the conduct of its business, and maintain same in good working order and condition, reasonable and ordinary wear, tear and depreciation excepted.

7.2 Insurance. Keep its insurable properties, if any, insured as required under the mortgage securing the Loan. Borrower will furnish Lender with copies of such insurance policies containing endorsements in favor of Lender as loss payee and mortgagee as its interest may appear on policies other than liability policies as provided in the mortgage and deed of trust securing the Loan.

7.3 Obligations and Taxes. Pay all indebtedness and obligations promptly and in accordance with the terms thereof, and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or in respect of its property, before the same shall become in default; provided, however, Borrower shall not be required to pay and discharge or cause to be paid and discharged any such tax assessment, charge, levy or claim so long as the validity thereof shall be contested in good faith by appropriate proceedings and the Borrower shall set aside on its books adequate reserves with respect to any such tax, assessment, charge, levy or claim so contested.

7.4 Notice of Litigation. Furnish to Lender within ten (10) days after service of process or equivalent notice, written notice of any litigation involving greater than FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00) in damages or otherwise in cost to Borrower, including arbitrations and of any proceeding by or before any governmental agency.

7.5 Notice of Certain Matters. Give prompt written notice to Lender of all Events of Default of which Borrower is aware; if applicable, changes in management, litigation, and of any other matter which has resulted in, or might result in, a materially adverse change in its financial condition or operation.

7.6 Records. Keep and maintain full and accurate accounts and records of its operations and will permit Lender and its designated officers, employees, agents and representatives, to have access thereto and to make examination thereof upon not less than seventy-two (72) hours' notice at all reasonable times during normal business hours, to make audits, and to inspect and otherwise check its properties, real, personal and mixed.

7.7 Execution of Other Documents. Promptly, upon demand by Lender, execute, or cause the SPE to execute, all such additional agreements, contracts, indentures, financing statements, documents and instruments in connection with this Agreement as Lender may reasonably deem necessary. (This authority shall be for ministerial matters only and shall not allow Lender to increase Borrower's liability under the loan.).

7.8 Financial Statements. The Borrower will provide to the Lender, in form and content acceptable to the Lender, the following:

(a) Quarterly financial statements of the Borrower no later than 90 days after each quarter end.

(b) Annual audited financial statement of the Borrower no later than 120 days after fiscal year end.

(c) Annual tax returns of the Borrower not later than 30 days after filing.

(d) Quarterly bank statements of the Borrower no later than 15 days after each quarter end.

(e) Quarterly REIT subscription numbers of the Borrower no later than 15 days after each quarter end.

(f) All additional financial documents required to be provided to the SEC by Borrower.

(g) Customary commercial real estate project reporting and compliance information.

(h) Other information that may be reasonably required by the Lender and its legal counsel.

Notwithstanding anything to the contrary contained herein, so long as Borrower remains a publicly reporting company, it shall not be required to deliver any of the foregoing documents which are available through its public filings with the SEC.

7.9 Debt Service Coverage Ratio. Borrower will maintain a minimum debt service coverage ratio ("DSCR") of 1.10:1.0, measured annually based on its year and financial statements relating solely to the real estate Collateral, BEGINNING AS OF December 31, 2019.

DSCR shall be defined as net operating income ("NOI") less a three percent (3%) annual management fee, and less a two percent (2%) annual replacement reserve, divided by the maximum principal borrowing outstanding, amortized over 25 years, using the then published LIBOR SWAP rate plus two hundred twenty five basis points (225 basis points) over the term of the loan.

7.10 [Intentionally Omitted].

7.11 Subordination of Debt. Subordinate all cumulative officer and shareholder/ member debt in excess of $100,000.00.

7.12 Tenant Ceasing Operations. Pay the Loan in full upon the earlier to occur of maturity of the Loan, or 12 months from the date of Walgreens, the tenant of the Property, formally notifying the SPE that it will be ceasing operations in the Property, if such event should occur during the term of the Loan. Failure to pay the Loan in full as and when described in this paragraph, shall be an event of default.

ARTICLE VIII - NEGATIVE COVENANTS

The Borrower covenants and agrees with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed under the Loan, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will not:

8.1 Notes, Accounts Receivable. Sell, discount or otherwise dispose of notes, accounts receivable or other rights to receive payments, with or without recourse, except for collection in the ordinary course of business.

8.2 Consolidations, Mergers, Sale of Business. During the term of the Loan, merge, consolidate, reclassify, or sell the business or any of its capital stock without the written approval of the Lender.

8.3 Loans. Make any loans to any person, firm or entity, nor become a guarantor or surety, nor pledge credit in any manner, directly or indirectly.

8.4 [Intentionally Omitted]

8.5 Liens. Incur, create, assume or permit to exist any mortgage, pledge, lien, charge, security interest or other encumbrance of any nature whatsoever on the property comprising, in part the Collateral, except to Lender, other than liens for taxes or assessments and similar charges either: (i) not delinquent; or (ii) being contested in good faith by appropriate proceedings and as to which the Borrower shall have set aside on its books adequate reserves.

8.6 Default Under Other Agreements or Contracts. Commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions of any other agreement, mortgage, contract, indenture, document or instrument executed by it, except those that may be contested in good faith, and would not, if settled unfavorably, materially and adversely affect the financial condition of the Borrower.

8.7 Compliance with Law Generally. Be in violation in any material respect of any law, ordinance, governmental rules or regulations to which Borrower is subject and which is material to its business, or fail to obtain any licenses, permits, franchises or other governmental authorizations necessary to the ownership of the properties of Borrower or to the conduct of its business, which violation or failure to obtain might materially adversely affect the business, prospects, profits, properties or condition (financial or otherwise) of Borrower.

8.8 [Intentionally Omitted].

8.9 Management. Make any material change in its management or basic business, or enter into any merger, reorganization or acquisition transaction, without the express written permission of Lender, which shall not be unreasonably withheld or delayed.

8.10 [Intentionally Omitted].

8.11 [Intentionally Omitted].

8.12 Additional Debt of Borrower or SPE.

(a) Obtain any secondary liens on property in the Collateral without prior approval of Lender, in Lender's sole and complete discretion.

ARTICLE IX - COLLATERAL

As security for the full and timely payment of the Note, together with interest thereon, as well as any renewals, modifications or extensions thereof, and to secure performance of the Loan Documents, the Borrower covenants and agrees to execute and deliver or to have the SPE execute and deliver, mortgages, security agreements, assignments, subordination non-disturbance agreements, and financing statements in favor of Lender, in form and substance acceptable to Lender, granting to Lender a first priority mortgage, as applicable, in the property comprising the Collateral and a perfected first security interest in fixtures and personal property described in any such mortgage, subject to no other liens, encumbrances, or security interests in and to the real property, and related personal property, comprising the Collateral ("Instruments of Security").

ARTICLE X - DEFAULTS AND REMEDIES

10.1 Events of Default. If any one or more of the following events (herein called "Events of Default") shall occur for any reason whatsoever (and whether such occurrences shall be voluntary or involuntary, or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body) and not be cured within any applicable cure period afforded by this Section 10.1, then Lender shall be entitled to the remedies set forth in Section 10.2 of this Agreement. The Events of Default shall include, but not be limited to, the following:

(a) Any representation or warranty made herein or in any report, certificate, financial statement or other instrument furnished by Borrower in connection with this Agreement, or the borrowing hereunder shall prove to be false or misleading in any material respect when made;

(b) Default shall occur in the payment of interest or principal on any indebtedness referred to herein, specifically including the Note, within ten (10) days of when and as the same shall become due and payable, whether at the due date thereof or by acceleration or otherwise, or failure of the Borrower to make payment of principal or interest on any other obligation for borrowed money owed to Lender, or in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause or permit the acceleration of the maturity thereof;

(c) Any default shall occur in the due observance or performance of any covenant, agreement or other provision of this Agreement or the Instruments of Security referred to above other than for the payment of money, which is not cured within thirty (30) days after written notice thereof from Lender to Borrower, unless, however, such default cannot through the exercise of reasonable diligence be cured within such thirty (30) day period, in which case, Borrower shall have such longer period of time as is reasonably necessary to cure such default, but not longer than ninety (90) days in any and all events, provided that it commences such cure within the initial thirty (30) day period and thereafter diligently prosecutes such cure to completion;

(d) The Borrower, SPE or Guarantor of the Loan (collectively the "Borrower Group") shall: (i) apply for or consent to the appointment of a receiver, trustee in bankruptcy for benefit of creditors, or liquidator of it or any of its property; (ii) admit in writing its inability to pay its debts as they mature; (iii) make a general assignment for the benefit of creditors; (iv) be adjudicated a bankrupt or insolvent; (v) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors, or seeking to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute or an answer admitting an act of bankruptcy alleged in a petition filed against it in any proceeding under any such law; (vi) take any action for the purposes of effecting any of the foregoing; or (vii) die and not be replaced by a substitute acceptable to Lender in its sole discretion within 120 days;

(e) An order, judgment or decree shall be entered against any person or entity comprising the Borrower with the application, approval or consent of the entity by any court of competent jurisdiction, approving a petition seeking its reorganization or appointing a receiver, trustee or liquidator of any such party, or of all or a substantial part of the assets thereof, and such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) days from the date of entry thereof;

(f) Final judgments for the payment of money in excess of an aggregate of Fifty Thousand and No/100 Dollars ($50,000.00), excluding claims covered by insurance, shall be rendered against the Borrower and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, provided that a judgment shall be deemed "final" only when the time for appeal shall have expired without an appeal having been claimed, or all appeals and further review claimed to have been determined adversely to the Borrower;

(g) A material adverse change in the financial condition of the Borrower;

(h) A default in or breach of any covenant in the Loan Documents by Borrower or any SPE which is not cured within the applicable grace or curative period therefor.

10.2 Remedy. Upon the occurrence of any such Event of Default and after the curative periods therefor have run, Lender may, at its option, declare all indebtedness of principal and interest due and payable, whereupon the Note, (notwithstanding any provisions hereof) shall be immediately due and payable, and Lender shall have and may exercise from time to time any and all rights and remedies available to it under any applicable law; and Borrower shall promptly pay all reasonable, actual, documented costs of Lender of collection of any and all liabilities, and enforcement of rights hereunder, including reasonable attorneys' fees, and legal expenses of any repairs to any of the Collateral, and expenses of repairs to any realty or other property to which any of the Collateral may be affixed. Actual, reasonable and documented expenses of retaking, holding, preparing for sale, selling, or the like, shall include Lender's reasonable attorney's fees and legal expenses. Upon disposition by Lender of any Collateral of Borrower in which Lender has a security interest, Borrower shall be and remain liable for any deficiency, and Lender shall account to Borrower for any surplus, and to hold the same as a reserve against all or any liabilities of Borrower to Lender whether or not they, or any of them be then due, and in such order of application as Lender may, from time to time, elect. All rights, powers and remedies contained herein or in any other agreement, instrument or document executed in connection herewith are cumulative. As to any default other than failure to pay sums due to Lender, and so long as the Lender's security is not impaired as determined in Lender's sole discretion, the afore-referenced curative period will be extended as long as Borrower is exercising reasonable good faith and diligence in curing such incident of default.

In addition to the foregoing, Lender may do any or all of the following to the maximum extent permitted under the laws of the State of Florida, either in the name of Lender or in the name of Borrower:

(i) Enforce all rights of Borrower or SPE under any contracts made by Borrower or SPE in connection with the Collateral or may, if Lender deems it advisable, cancel any or all of such contracts.

(ii) Take over and use all or any part of the materials, supplies, fixtures, equipment and other personal property contracted for by Borrower or SPE.

ARTICLE XI - APPOINTMENT OF A RECEIVER

In case of default beyond the applicable curative period in any of the terms, covenants and provisions of the Agreement, or upon the institution of suit to enforce any rights and remedies of Lender hereunder, then Lender shall immediately and without notice, be entitled as a matter of right, and without regard to the value of the Collateral, or the solvency or insolvency of the Borrower, to the appointment of a Receiver of all assets of Borrower, with the usual powers of Receivers in such cases, said Receiver to continue to act for such period of time as the Court appointing said Receiver may deem just and proper.

ARTICLE XII - MISCELLANEOUS

12.1 Notices. Any notice shall be conclusively deemed to have been received by the Borrower and be effective on the day on which delivered to the Borrower, or if sent by registered or certified mail, addressed to Borrower at its address herein stated, on the second business day after the day on which the return receipt indicates the notice was delivered. Notwithstanding anything to the contrary herein, all notices and communications to the Lender shall be directed to the following address:

American Momentum Bank
Attention: Commercial Loan Department
500 South Washington Boulevard
Sarasota, Florida 34236

12.2 Survival of Representations. All covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by Lender of the Loan herein contemplated and the execution and delivery to Lender of the Note evidencing such Loan and shall continue in full force and effect so long as any indebtedness created hereunder is outstanding and unpaid. All covenants and agreements by or on behalf of either party which are contained or incorporated in this Agreement shall bind and inure to the benefit of the successors and assigns of both parties hereto.

12.3 Effect of Delay. Neither any failure nor any delay on the part of Lender in exercising any right, power or privilege hereunder or under the Note shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege.

12.4 Expenses. The Borrower will pay all out-of-pocket and documented expenses reasonably incurred by Lender in connection with the preparation of this Agreement, the borrowings hereunder, and the enforcement of the rights of Lender in connection with this Agreement, or with the Loan made or the Note issued hereunder, including but not limited to the fees of and expenses of counsel for Lender.

12.5 Modification and Waivers. No modification or waiver of any provision of this Agreement or of the Note nor consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower in any case shall thereby entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances.

12.6 Business Day. Should any installment on the Note become due and payable on other than a business day of the Lender, the maturity thereof shall be extended to the next succeeding business day with interest on the principal amount thereof at the rate set forth herein.

12.7 Remedies Cumulative. Any rights or remedies of the Lender hereunder or under the Note, or any other security agreement or writing shall be cumulative and in addition to every other right or remedy contained therein or herein, whether now existing or hereafter at law or in equity or by statute or otherwise.

12.8 Binding Agreement. This Agreement shall be binding upon the parties hereto and their successors and assigns and the terms hereof shall inure to the benefit of Lender and its successors and assigns.

12.9 Exhibits. All references to "Exhibits" contained herein are references to exhibits attached to the Agreement, the terms and conditions of which are made a part hereof for all purposes, the same as if set forth herein verbatim.

12.10 Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where appropriate.

12.11 Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.

12.12 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part.

12.13 All Loans One Loan. All loans and/or advances made hereunder shall constitute one loan and the obligations of such loans and/or advances shall constitute one obligation secured by the Collateral provided for herein.

12.14 Governing Law. All documents executed pursuant to the transactions contemplated herein, including, without limitation, this Agreement and each of the Loan Documents, shall be deemed to be contracts made under, and for all purposes shall be construed in accordance with, the internal laws and judicial decisions of the State of Florida even though executed outside thereof; provided that this Section 12.14 shall not affect the applicability of, and interpretation or construction of, appropriate terms and provisions under the laws of any jurisdiction which govern the security interests, including mortgages, deeds of trust, and/or deeds to secure debt in any of the Collateral relating to real property, and related pledged personal property, which is within the Collateral and located outside of the State of Florida. The Borrower hereby submits to the jurisdiction and venue of the state and federal courts of Florida for the purposes of resolving disputes hereunder or for the purposes of collection.

12.15 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

12.16. **WAIVER OF JURY TRIAL**. **BORROWER AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER OR BORROWER, ON OR WITH RESPECT TO THIS LOAN AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND**

NOT BY A JURY. LENDER AND BORROWER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, BORROWER WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS LOAN AGREEMENT AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS LOAN AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above set forth.

(Signature Page to Follow)

Document Number: 4816-1634-2690

Signed and witnessed in the presence of:

LENDER:

AMERICAN MOMENTUM BANK

_____, Witness
Print or type your name here

By: /s/ Porter Smith
Porter Smith
Its: Tampa Bay Market President

_____, Witness
Print or type your name here

BORROWER:

GENERATION INCOME PROPERTIES, INC.,
a Maryland corporation

_____, Witness
Print or type your name here

By: /s/ David E. Sobelman
David E. Sobelman
Its: President

_____, Witness
Print or type your name here

GUARANTOR:

DAVID E. SOBELMAN

_____, Witness
Print or type your name here

By: /s/ David E. Sobelman
David E. Sobelman

_____, Witness
Print or type your name here

Prepared by and after recording return to:
Barry W. Hunter, Esq.
Va. State Bar No.: 14807
Kaufman & Canoles, a professional corporation
150 W. Main Street, Suite 2100
Norfolk, VA 23510

Tax Map Reference/Account No.: 3682-0312

NOTE TO CLERK: PURSUANT TO THE PROVISIONS OF §58.1-803D OF THE CODE OF VIRGINIA (1950), AS AMENDED, THIS INSTRUMENT MODIFIES THE TERMS OF AN EXISTING DEBT SECURED BY THAT CERTAIN DEED OF TRUST DATED OCTOBER 23, 2017, RECORDED AS INSTRUMENT NO. 170023869 ON WHICH THE TAX IMPOSED BY VA CODE SECTION 58.1-803 HAS BEEN PAID. THE FACE AMOUNT OF THE DEBT SECURED BY THE DEED OF TRUST IS BEING INCREASED FROM $5,200,000.00 TO $5,216,749.25 AND, THEREFORE, PURSUANT TO VA CODE SECTION 58.1-803D.1, RECORDING TAXES ARE DUE ON THE INCREASED AMOUNT OF $16,749.25. GRANTOR HEREBY CERTIFIES THAT THE FACE AMOUNT OF THE OBLIGATIONS SECURED BY THE DEED OF TRUST ON WHICH RECORDING TAXES HAVE BEEN PAID IS $5,200,000.00.

NOTE, DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, AND RELATED LOAN DOCUMENTS ASSIGNMENT, ASSUMPTION AND MODIFICATION AGREEMENT

THIS NOTE, DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, AND RELATED LOAN DOCUMENTS ASSIGNMENT, ASSUMPTION AND MODIFICATION AGREEMENT (this "Agreement") is made as of the 30th day of September, 2019, among RIVERSIDE CROSSING, L.C., a Virginia limited liability company (the "Original Borrower") index as a grantor and a grantee, whose address is 150 West Main Street, Suite 1100, Norfolk, Virginia 23510, GIPVA 130 CORPORATE BLVD, LLC, a Delaware limited liability company (the "New Borrower"), index as a grantor and grantee, whose address is 401 East Jackson Street, Suite 3300, Tampa, Florida 33602, NEWPORT NEWS SHIPBUILDING EMPLOYEES CREDIT UNION, INC., d/b/a BayPort Credit Union (the "Lender"), index as a grantor and grantee, whose address is One BayPort Way, Suite 350, Newport News, Virginia 23606, JAMES B. MEARS (the "Trustee"), index as a grantor and grantee, whose address is One BayPort Way, Suite 350, Newport News, Virginia 23606, in order to document (i) the assignment and assumption of the $5,200,000.00 original principal amount loan from the Lender to the Original Borrower dated October 23, 2017 (the "Original Loan"), including the assignment by the Original Borrower and the assumption by the New Borrower of the loan documents described in Exhibit "A" attached hereto (items 1 through 11 under the caption "LIST OF ORIGINAL LOAN DOCUMENTS" in Exhibit A being hereinafter referred to as the "Original Loan Documents"), (ii) the increase in the principal amount of the Original Loan by $250,000.00 (the Original Loan as increased by $250,000.00 is herein referred to as the "Loan") and (iii) other modifications to the Original Loan Documents made by this Agreement (the Original Documents as amended by this Agreement are herein referred to as the "Loan Documents"). This Agreement is joined in by Generation Income Properties, L.P., a Delaware limited partnership, Generation Income Properties, Inc., a Maryland corporation, and David Sobelman (collectively, the "New Guarantors" and together with the Original Borrower and the New Borrower, the "Obligors").

BACKGROUND:

The Original Borrower is indebted to the Lender under the Original Loan Documents. The Original Borrower desires to contribute, and the New Borrower desires to accept, the real property encumbered by the Deed of Trust (as defined in Exhibit A) and more fully described in **Exhibit "B"** attached hereto (the "Property"), and contemporaneously with such contribution, the Original Borrower and the New Borrower desire to increase the unpaid principal amount of the Original Loan by $250,000.00. The New Borrower desires to assume all obligations of the Original Borrower under the Loan Documents, including paying the Lender the unpaid principal balance of the Original Note as listed in Exhibit "A", together with the $250,000.00 increase in principal amount thereof. The Deed of Trust requires the written consent of the Lender prior to any sale or transfer of all or any part of the encumbered property, and the sale or transfer without the consent of Lender would constitute a default under the Original Loan Documents. The Original Borrower and the New Borrower wish to obtain the consent of the Lender to such transfer and assumption, and to obtain from the Lender the increase of $250,000.00 in principal amount of the Original Loan.

ASSIGNMENT, ASSUMPTION AND MODIFICATION

NOW, THEREFORE, for and in consideration of granting the consents by the Lender, for the benefits following to each of the parties hereto, for an increase of $250,000.00 in principal amount of the Original Loan, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The above recitals arc true and correct and incorporated herein by reference thereto.

2. Definitions. Any capitalized terms used herein without definition shall have the meanings ascribed to them in the Loan Documents.

3. Status of Loan. As of the date hereof, the principal balance outstanding under the Original Note is $4,966,749.25 and the principal balance of the Note, after giving effect to the increase in the Original Loan is $5,216,749.25. The Lender is the current holder of the Original Note and the following escrow and reserve balances (collectively, "Escrow Balances") are being held by the Lender: (i) a real estate tax escrow balance of $ N/A ; and (ii) a TI Reserve Account balance of $34,500.00. Further, parties acknowledge and agree that the Lender will continue to hold the Escrow Balances for the benefit of the New Borrower in accordance with the terms of the Loan Documents. In the event of any error in, or omission from, the foregoing, the Lender shall not be prejudiced, limited, or estopped, in any way in its right to charge, collect and receive any and all monies lawfully due the Lender under the Loan Documents.

4. Reaffirmation of Terms. The provisions of the Loan Documents are expressly assumed by the New Borrower as modified by this Agreement and are reaffirmed and remain in full force and effect as amended by this Agreement.

5. Assignment and Assumption; Loan Increase. The Original Borrower hereby assigns to the New Borrower, and the New Borrower hereby assumes, jointly and severally with the Original Borrower, (i) the indebtedness evidenced by the Original Note as increased by the principal sum of $250,000.00 (the Original Note as increased by $250,000.00 in principal amount is herein referred to as the "Note") and (ii) all the rights and obligations of the Original Borrower under the Original Loan Documents as modified by this Agreement. The New Borrower hereby agrees that it shall hereafter make all payments required by the Note and the other Loan Documents and perform all obligations contained in the Loan Documents. The New Borrower agrees to abide by all provisions of the Loan Documents. The Original Borrower (a) acknowledges that it is not released from liability under the Original Loan Documents and is jointly and severally liable with the New Borrower under the Loan Documents (including the modifications made by this Agreement), (b) ratifies, reaffirms, and confirms in all respects each of the Original Loan Documents to which it is a party, as and to the extent expressly modified by this Agreement, including, without limitation, the increase in principal amount of the Original Loan by $250,000.00 (the "Loan Increase"), (c) agrees and acknowledges that its liability under the Loan Documents shall not be diminished in any way by the execution and delivery of this Agreement or by the consummation of any of the transactions contemplated herein, including but not limited to the Loan Increase, and (d) agrees that the Original Borrower and the New Borrower agree to comply with and be bound by all the terms, covenants and agreements, conditions and provisions set forth in the Loan Documents. The New Borrower and the Lender hereby confirm, acknowledge and agree that the execution, delivery and performance of this Agreement (i) shall not constitute or create a novation or repayment of any indebtedness under the Original Loan Documents and (ii) shall not serve to discharge any obligations of the Original Borrower existing under the Original Loan Documents. In the event of the occurrence of any Event of Default by either the Original Borrower or the New Borrower under the terms of any Loan Document, the Lender may exercise all remedies available to it under the terms of the Loan Documents.

6. Modifications to the Original Loan Documents. The Original Loan Documents are hereby amended as set forth in Schedule 6.1 attached hereto.

7. Funds for Property Taxes and TI Improvements. The Original Borrower hereby relinquishes and transfers to the New Borrower all of the Original Borrower's interest in the Escrow Balances held by the Lender for the purposes of application to Property Taxes and the Original Borrower's Additional Refurbishment Allowance (the "Additional TI Work") under its lease with PRA Holding I, LLC, or any other purposes for which deposits are being held by the Lender. The Original Borrower and the New Borrower assume the liability, jointly and severally, for payment of the escrow deposits for Property Taxes and Additional TI Work required by the Deed of Trust and agree to make the deposits with the Lender for such purposes as required by the Deed of Trust.

8. Lender's Consent. The Lender hereby (a) consents to the contribution and transfer of the Property to the New Borrower, and (b) accepts the New Borrower as an added obligor under the Loan Documents. Upon the full execution and delivery of this Agreement, all references in the Original Loan Documents to "Borrower" or to "Grantor" shall thereafter be references to the Original Borrower and the New Borrower, jointly and severally.

9. Guaranty. In connection with the assumption of the Original Loan Documents by the New Borrower, the New Guarantors (each of which are related parties to New Borrower) are executing and delivering to the Lender a Guaranty of Nonrecourse Carveout Liabilities and Obligations of even date herewith (the "New Guaranty"). The New Borrower and the Lender hereby agree that any default under the New Guaranty, which is not remedied within any applicable notice or cure period contained therein, shall constitute a default under the Loan Documents with

the same force and effect as if such default had been expressly set forth in the Loan Documents, and the occurrence of such a default shall entitle the Lender to exercise the remedies in the Loan Documents for any such default. Hereafter, all references in the Loan Documents to "Guaranty" shall mean the Guaranty of Nonrecourse Carveout Liabilities and Obligations executed by the New Guarantors and all references in the Loan Documents to "Guarantor" shall mean the New Guarantors. The Guaranties of the Original Guarantors are hereby terminated.

10. Further Transfers of Property. The New Borrower agrees that the granting of the consent of the Lender to this transfer shall not constitute a waiver of the restrictions on transfer and encumbrances contained in the Deed of Trust, and such restrictions shall continue in full force and effect; any future transfer, encumbrance, or sale by the New Borrower not expressly authorized by the terms of the Deed of Trust shall, without the written consent of the Lender, constitute a default of the terms of the Deed of Trust and other Loan Documents.

11. Acknowledgment. The Original Borrower acknowledges that, as of the date hereof, it does not have any defenses, claims, counterclaims or rights of set-off, legal or equitable, arising out of or in connection with the Loan Documents. The Original Borrower waives and releases, acquits, satisfies and forever discharges the Lender and its affiliates, agents, predecessors, and assigns from any and all claims, counterclaims, defenses, actions, causes (legal or equitable), promises and demands whatsoever in law or in equity which the Original Borrower, ever had, now has or which any successor or assign thereof hereafter can, shall or may have against Lender or its affiliates, agents, predecessors or assigns, for, upon or by reason of any manner, or cause or thing whatsoever through the date hereof.

12. Representation and Warranty. The Original Borrower hereby represents and warrants to the Lender that from the date of recordation of the Deed of Trust through the recordation of this Agreement, no document or instrument which is or may be a lien prior to the lien of the Deed of Trust has been or will be recorded. The Original Borrower and the New Borrower hereby further represent and warrant to the Lender that the Deed of Trust, as amended by this Agreement, constitutes a good and valid first priority deed of trust lien against the Property. The Original Borrower and the New Borrower acknowledge and agree that the Lender is relying upon the representations and warranties set forth in this paragraph and that said representations and warranties are a material inducement to the Lender to enter into this Agreement.

13. Ratification. The parties hereto hereby ratify and confirm the terms, conditions and covenants contained in the Original Loan Documents, as modified by this Agreement. In the event of any conflict between the Original Loan Documents and this Agreement, the terms of this Agreement shall govern. The parties also ratify and confirm that all remedies provided for in the Original Loan Documents upon default by the either the Original Borrower or the New Borrower thereunder, shall continue in full force and effect.

14. No Novation. The execution and delivery of this Agreement shall not constitute a novation or modification of the lien, encumbrance or security of the Deed of Trust, which Deed of Trust shall retain its priority as originally filed for record. The execution and delivery hereof shall not constitute a novation of the Original Note in any way.

15. UCC Financing Statements. The Original Borrower and the New Borrower each authorize the Lender to file appropriate financing statements and financing statement amendments in the applicable jurisdictions to provide notice of the obligations being assumed by the New Borrower herein.

16. Binding Agreement. This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

17. Miscellaneous.

a. Wherever the words "Original Borrower" or "New Borrower" are used in this Agreement, they shall represent the plural as well as the singular, the feminine and neuter genders as well as the masculine, and shall include successors or assigns as applicable.

b. This Agreement may be executed in multiple counterparts, which, when taken together, shall constitute one and the same instrument. The signature page from any counterpart may be removed and attached to another counterpart to create a single fully executed instrument.

18. Waiver of Jury Trial. THE UNDERSIGNED HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE LOAN DOCUMENTS, INCLUDING THIS AGREEMENT, AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF THE UNDERSIGNED. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER ENTERING INTO THIS AGREEMENT.

19. Applicable Law; Forum. This Agreement is performable in the Commonwealth of Virginia, and the laws of the Commonwealth of Virginia and applicable United States federal law shall govern the rights and duties of the parties hereto and the validity, enforcement and interpretation hereof. The Obligors hereby irrevocably submit generally and unconditionally for themselves and in respect of their property to the jurisdiction of any state court in, or any United States federal court sitting in, the Cities of Newport News or Norfolk, Virginia (the "Applicable Courts") over any suit, action or proceeding arising out of or relating to this Agreement, or the other Loan Documents and any such suit, action or proceeding may only be brought in one of the Applicable Courts. The Obligors hereby irrevocably waive, to the fullest extent permitted by law, any objection that the Obligors may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. The Obligors irrevocably consent to service of process by mail as set forth in Section 11 for other Notices. Nothing herein shall affect the right of the Lender to serve process in any manner permitted by law or limit the right of the Lender to bring proceedings against the Obligors in any other court or jurisdiction.

20. Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity. If the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have executed this Note, Deed of Trust, Assignment of Leases and Rents, and Related Loan Documents Assignment, Assumption and Modification Agreement as of the day and year first above written.

ORIGINAL BORROWER:

RIVERSIDE CROSSING, L. C., a Virginia limited liability company

By: Robinson Development Group, Inc.,
Manager

By: /s/ Anthony W. Smith
Name: Anthony W. Smith
Title: Senior Vice President

NEW BORROWER:

GIPVA 130 CORPORATE BLVD, LLC,
a Delaware limited liability company

By: Generation Income Properties, L.P.,
a Delaware limited partnership, Sole Member

By: Generation Income Properties, Inc.,
a Maryland corporation General Partner

By: /s/ David Sobelman
David Sobelman, President

NEW GUARANTORS:

Generation Income Properties, Inc., a Maryland corporation

By: /s/ David Sobelman
David Sobelman, President

NEW GUARANTORS:

Generation Income Properties, L.P.,
a Delaware limited partnership

By: Generation Income Properties, Inc., a
Maryland corporation, General Partner

By: /s/ David Sobelman
David Sobelman, President

NEW GUARANTORS:

/s/ David Sobelman
David Sobelman

LENDER:

NEWPORT NEWS SHIPBUILDING
EMPLOYEES' CREDIT UNION, INC.
d/b/a BAYPORT CREDIT UNION

By: 

TRUSTEE:

/s/ James B. Mears
James B. Mears, Trustee

EXHIBIT "A"

LIST OF ORIGINAL LOAN DOCUMENTS

1. Commercial Loan Agreement dated October 23, 2017, between the Original Borrower and the Lender for a loan in the original principal amount of $5,200,000.00.

2. Promissory Note dated October 23, 2017, made by the Original Borrower payable to the Lender or order in the original principal amount of $5,200,000.00 (the "Note").

3. Deed of Trust dated October 23, 2017, from the Original Borrower to George R. Dudley, Jr. and James B. Mears, as Trustees for the benefit of Lender, recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia on October 24, 2017, as Instrument No. 170023869 (the "Deed of Trust").

4. Assignment of Leases and Rents dated October 23, 2017, from the Original Borrower to the Lender, recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia on October 24, 2017, as Instrument No. 170023870 (the "Assignment of Leases").

5. Environmental Indemnity Agreement dated October 23, 2017, from the Original Borrower and the Original Guarantors to the Lender (the "Existing Environmental Indemnity").

6. Security Agreement dated October 23, 2017, from the Original Borrower to the Lender.

7. Guaranty of Nonrecourse Carveout Liabilities and Obligations dated October 23, 2017, made by Anthony W. Smith in favor of the Lender.

8. Guaranty of Nonrecourse Carveout Liabilities and Obligations dated October 23, 2017, made by Thomas E. Robinson in favor of the Lender.

9. Agreement to Provide Insurance dated October 23, 2017, made by the Original Borrower for the benefit of the Lender.

10. Addendum to Loan documents made as of October __, 2017, by and among the Original Borrower, the Original Guarantors and the Lender.

11. UCC-1 Financing Statements:

    a. State Corporation Commission (Uniform Commercial Code Division), Commonwealth of Virginia (filed on November 1, 2017, as Instrument No. 171101 3885-7);

    b. Clerk's Office of the Circuit Court of the City of Norfolk, Commonwealth of Virginia (recorded on October 30, 2017, in Official Records as Instrument No. 17-161).

(Loan Documents dated as of the date hereof)

1. Environmental Indemnity Agreement executed by the New Borrower and the New Guarantors.

2. Guaranty of Nonrecourse Carveout Liabilities and Obligations executed by the New Guarantors.

3. UCC-1 Financing Statements

    a. To be filed with the Uniform Commercial Code Division of the Virginia State Corporation Commission, bearing the New Borrower's name.

    b. To be recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, bearing the New Borrower's name.

4. UCC-3 Amendment Financing Statements

    a. To be filed with the Uniform Commercial Code Division of the Virginia State Corporation Commission, amending financing statement filed on November 1, 2017, as instrument number 171101 3885-7.

    b. To be recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, amending financing statement recorded on October 30, 2017, as Instrument No. 17-161.

EXHIBIT "B"

LEGAL DESCRIPTION

PARCEL ONE

All that certain lot, piece or parcel of land, with the buildings and improvements thereon, situate, lying and being in the City of Norfolk, Virginia, and being known, numbered and designated as Parcel 9-B, as shown on that certain plat titled "SUBDIVISION PLAT OF PARCEL 9, AS SHOWN ON PLAT SHOWING A SUBDIVISION OF PARCEL 7 RIVERSIDE CORPORATE CENTER," dated September 10, 2003, prepared by Rouse-Sirine Associates, Ltd., Virginia Beach, Virginia, and duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia on October 9, 2003 in Map Book 55, at Pages 108 and 109.

TOGETHER WITH all easements, rights, title and interest in that certain Declaration and Deed of Reciprocal Easements, Covenants and Restrictions for Riverside Corporate Center, made by Riverside Development Joint Venture and Riverside Development Joint Venture A-One, dated July 28, 1987, as contained in instrument duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia in Deed Book 2034 at Page 828, amended in Deed Book 2508 at Page 186 and 189, Assignment and Delegation to Riverside Corporate Owners Association in Deed Book 2508 at Page 197, and as amended by that certain Amendment and Supplemental Declaration recorded in Deed Book 2580 at Page 337, Amended and Supplemented in Deed Book 2739 at Page 793, and as amended by certain Third Amendment recorded in Instrument No. 020020350 and that certain Assignment and Delegation recorded in Instrument No. 020038603.

TOGETHER WITH all easements, rights, title and interest in that certain Deed of Easements dated March 18, 1999 recorded on March 22, 1999 in Instrument No. 990008582.

TOGETHER WITH, all easements, rights, title and interest in that certain Declaration of Easements dated October 10, 2003 and recorded in the aforesaid Clerk's Office on October 14, 2003 in Instrument No. 030040652.

IT BEING a portion of the same property conveyed to Riverside Crossing, L.C., a Virginia limited liability company, by deed from AE Properties, Inc., a California corporation, dated December 4, 2002 and recorded December 10, 2002 in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia as Instrument No. 02003 8604 and being more particularly described as follows:

Beginning at a point located at the southern right-of-way line of Norfolk Southern Railway Company at the intersection of the western right-of-way line of Military Highway, the point of beginning; thence from said point of beginning, running along the western right-of-way line of Military Highway the following two courses and distances: SOO°27'00"E, 347.70 feet to a point; thence running along a curve to the right having a radius of 1,975.00 feet and an arc distance of 29.04 feet (chord distance of 29.04 feet and chord bearing of S00°01'43 "E) to a point; thence running along the line dividing Parcel 9-A and Parcel 9-B S89°33'51"W, 320.70 feet to a point; thence turning and running along the line dividing Parcel 9-B and Parcel 8 NOO°26'09"W, 379.09 feet to a point; thence turning and running along the southern right-of-way line of Norfolk Southern Railway Company N89°59'00"E, 320.88 feet to a point; the point of beginning.

The above-described Parcel 9-B contains 121,256 square feet or 2.783 acres.

PARCEL TWO

All that certain lot or parcel of land, all of which lies in the City of Norfolk, Virginia:

Being as shown on Sheets 1, 2, and 3 of the Plats titled "Exhibit Plat Showing Property of Commonwealth of Virginia To Be Closed and Transferred to Riverside Corporate Center Owners Association, Riverside PRA, L.C. and Riverside Crossing, L.C." dated May 12, 2010, revised, June 29, 2010, identified as Parcel 3, containing 0.362 acre, more or less, land; and being a part of the same lands acquired from the Norfolk Rolleston Company, by Deed dated March 24, 1942, recorded in Deed Book 211, Page 237; and WTAR Radio-TV Corporation by Deed dated June 22, 1964, recorded in Deed Book 991, Page 597, both in the office of the Clerk of the Circuit Court of the City of Norfolk, Virginia.

For a more particular description of the land herein conveyed, reference is made to the photocopies of said Plats, showing outlined in RED the said land, which photocopies are recorded in the State Highway Plat Book 10, Pages 327, 328 and 329.

IT BEING the same property conveyed to Riverside Crossing, L.C., a Virginia limited liability company by Quitclaim Deed from Commonwealth of Virginia, April 1, 2011 and recorded May 4, 2011 in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia as Instrument No. 110008913.

SCHEDULE 6.1

MODIFICATION TO ORIGINAL LOAN DOCUMENTS

From and after the date of this Agreement, the Original Loan Documents are modified as follows:

(a) All original Loan Documents:

All references to "Borrower" shall mean the Original Borrower and the New Borrower, jointly and severally; all references to "Grantor" shall mean the New Borrower; all references to "Assignor" shall mean the New Borrower; all references to "Loan" shall mean the Original Loan as increased by the additional principal advance of $250,000.00 made in connection with the assumption and modification of the Original Loan; all references to Loan Documents shall mean the Original Loan Documents as amended and modified by this Agreement together with the New Guaranty; all references to "Note Amount" or "Loan Amount " shall mean $5,216,749.25 and all references to "this transaction" shall include both the original loan transaction and the assumption of the Original Loan by the New Borrower and all obligations and duties arising from the terms of this Agreement and other documents related to the assumption.

(b) Original Loan Agreement:

(i) Section 2, captioned "SINGLE ADVANCE" is hereby amended to read as follows:

"ADVANCES. In accordance with the terms of this Agreement and the other Loan Documents, you will provide me with a term note in the face amount of $5,200,000.00 and an Allonge to Promissory Note evidencing an additional principal amount advanced of $250,000.00 which, after giving effect to the previous principal payments made, changes the face amount of the term note to $5,216,749.25. I will receive the funds from this Loan in two advances: $5,200,000.00 principal will be advanced on October 23, 2017, and $250,000.00 will be advanced on September 30, 2019, the effective date of the Allonge to the Promissory Note. No additional advances are contemplated, except those made to protect and preserve your interests as provided in this Agreement or other Loan Documents."

(ii) Section 6, captioned "COVENANTS" is hereby amended by deleting the covenant regarding the Project Debt Service Coverage Ratio set forth in paragraph M captioned "Additional Covenants" and inserting the following provisions in lieu thereof:

"I/We HEREBY AGREE AND WARRANT THAT the Property shall maintain a Debt Service Coverage Ratio (the "Project DSCR") of at least 1.25:1.00. Generation Income Properties, L.P. shall, with respect to the Property and, if and when acquired through a wholly owned subsidiary, the property known according to the present street numbering system as 2510 Walmer Avenue, Norfolk, Virginia (the "Walmer Ave. Property"), maintain a Debt Service Coverage Ratio (the

"Norfolk Properties DSCR") of at least 1.25:1.00 and with respect to all properties in the portfolio, a Debt Service Coverage Ratio (the "Portfolio DSCR") of 1.00:1.00. The Project DSCR, the Norfolk Properties DSCR and the Portfolio DSCR shall be calculated as provided in the Loan Documents and tested on trailing 12 months based on the Borrower's and Generation Income Properties, L.P.'s annual tax information return, as applicable. Project DSCR shall be calculated by dividing the sum of Net Income plus depreciation, amortization and interest expense by debt service on the Loan. Norfolk Properties DSCR shall be calculated by dividing the sum of Net Income of the Property and the Walmer Ave. Property (taking into account debt service on the loan on the Walmer Ave. Property) plus depreciation, amortization and interest expense by debt service on the Loan. DSCR shall be calculated by dividing the sum of Net Income of Generation Income Properties, L.P. (taking into account debt service on loans on all portfolio properties other than the Project) plus depreciation, amortization and interest expense by debt service on the Loan."

(iii) Section 6, captioned "COVENANTS" is hereby amended by adding the following additional covenants to paragraph M captioned "Additional Covenants":

"I/WE HEREBY AGREE/WARRANT THAT DISTRIBUTIONS TO MEMBERS SHALL IN NO EVENT EXCEED MY/OUR EARNINGS REPORTED ON MY/OUR INCOME TAX RETURN."

(c) Original Note:

(i) Section 2, captioned "PROMISE TO PAY" is hereby amended to read as follows:

"PROMISE TO PAY. For value received, I promise to pay you or your order, at your address, or at such other location as you may designate, the principal sum of $5,216,749.25 or such funds as shall be advanced hereto (Principal) plus interest from October 23, 2017 on the unpaid principal balance until this Note is repaid in full."

(ii) Section 6, captioned "PAYMENT" is hereby amended by deleting the first paragraph, in its entirety, and inserting the following provisions in lieu thereof:

"PAYMENT. I agree to pay this Note in 84 payments. This Note is amortized over 300 payments. I will make 23 payments of $28,178.38 beginning on November 23, 2017, and on the 23rd day of each month thereafter through September 23, 2019. I will make 60 payments of $29,583.00 beginning on October 23, 2019, and on the 23rd day of each month thereafter through September 23, 2024. A single "balloon payment" of the entire unpaid balance of Principal and interest will be due October 23, 2024."

(d) Original Deed of Trust:

(i) Section 3, captioned "SECURED DEBTS" is amended by deleting in its entirety paragraph A captioned "Specific Debts" and inserting the following provisions in lieu thereof:

"Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note (No. 412398-60), dated October 23, 2017, made by Grantor payable to Lender, or order, with an original loan amount of $5,200,000.00 and maturing on October 23, 2024, as modified and increased by that certain Deed of Trust, Assignment of Leases and Rents and Related Loan Documents Assignment, Assumption and Modification Agreement dated September 30, 2019, by and among Grantor, GIPVA 130 Corporate Blvd, LLC, the Lender and James B. Mears, as Trustee, and consented to by joinder by Generation Income Properties, L.P., Generation Income Properties, Inc. and David Sobelman."

(ii) Section 9, captioned "TRANSFER OF AN INTEREST IN THE GRANTOR" is hereby amended to read as follows:

"TRANSFER OF AN INTEREST IN THE GRANTOR. If Grantor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), except for Permitted REIT Transfers (hereinafter defined), Lender may demand immediate payment if:

A. A beneficial interest in Grantor is sold or transferred.

B. There is a change in either the identity or number of members of a partnership or similar entity.

C. There is a change in ownership of the voting stock, partnership interest, or membership interest, of a corporation, partnership, limited liability company, or similar entity.

For purposes of the Loan Documents, 'Permitted REIT Transfers' means:

(1) the listing of common stock in Generation Income Properties, Inc. ("GIPREIT") on the New York Stock Exchange ("NYSE") or such other nationally recognized stock exchange (the "REIT Listing") provided GIPREIT satisfies all of the listing requirements of the U.S. Securities and Exchange Commission at the time of and as a condition of the REIT Listing, including, but not limited to, the net worth requirements;

(2) the issuance, sale, pledge, conveyance, transfer or other disposition (each, a "REIT Share Transfer") of any shares of common stock in GIPREIT (the "REIT Shares") so long as at the time of the REIT Share Transfer, the REIT Shares are listed on the NYSE or any other nationally recognized stock exchange;

(3) any issuance, sale, pledge, conveyance, transfer or other disposition of REIT Shares during the period prior to the REIT Listing (i.e., while the REIT is a publicly traded but non-listed entity), provided that such activities, singularly or taken as a whole, do not result in or cause a Change of Control; and

(4) any transfer, creation or issuance of limited partnership interests in Generation Income Properties, L.P. ("GIPLP") (each, a "Limited Partnership Interest Transfer") so long as: (A) there exists no uncured Event of Default under the Loan Documents; (B) the transfer does not result in any one person or entity having twenty-five percent (25%) or more of the legal or beneficial limited partnership interests in GIPLP; (C) the Limited Partnership Interest Transfer does not result in or cause a Change of Control; and (D) in the event such Limited Partnership Interest Transfer results in less than twenty-five percent (25%) of the legal or beneficial limited partnership interests being held by any single person or any single entity (other than GIPREIT), or if the legal or beneficial limited partnership interest is held directly or indirectly by Anthony W. Smith or Thomas E. Robinson even if the amount is equal to or greater than twenty-five percent (25%), the Grantor shall not be required to give the Lender notice of such Limited Partnership Interest Transfer.

Notwithstanding the foregoing to the contrary, in the event such Limited Partnership Interest Transfer results in twenty-five percent (25%) or more of the legal or beneficial limited partnership interests of GIPLP being held by any single natural person or any single entity (other than GIPREIT), then such transfer requires the advance consent of the Lender so long as the Lender does not withhold its consent for any reason other than such transfer would violate, or cause the Lender to be in violation of, any applicable law, rule or regulation or any Lender policies or procedures adopted pursuant thereto, including, without limitation, any laws related to national security, terrorism, or money laundering, and (A) the Grantor shall give the Lender no less than thirty (30) days' advance notice of any such Limited Partnership Interest Transfer, such notice to be accompanied by information sufficient to permit the Lender to conduct all necessary "know your customer" investigations on such person or entity and determine that the proposed transfer is a permitted transfer under this paragraph; (B) the Grantor shall provide for any natural person having a twenty-five (25%) or more legal or beneficial interest in the GIPLP a certification from such person's attorney that he or she has met and reviewed identity documents (e.g. driver's license or passport with photo ID) of such person; and (C) Grantor shall pay all costs of the Lender in connection with such Lender's review of such Limited Partnership Interest Transfer, including reasonable legal fees.

For purposes of this Security Instrument, a "Change of Control" shall occur when: (a) GIPLP is no longer the sole member of the Grantor, (b) GIPLP is no longer the sole manager of the Grantor, (c) GIPREIT is no longer the general partner of GIPLP, and GIPREIT's direct interest in the GIPLP and/or its indirect interest in the Grantor falls below 50.1%, (d) any transfer of interests or series of transfers of interests in GIPREIT, which results in more than twenty-five percent (25%) of the ownership interests of GIPREIT being held by any single person or entity or related group of people or entities (excluding ownership by David Sobelman), or (e) the individuals comprising the Board of Directors of GIPREIT, as the same exists for the twelve (12) month period immediately prior to the Permitted REIT Transfer, fail to represent a majority of the Board of Directors of GIPREIT for the three (3) month period immediately after the date of completion of the Permitted REIT Transfer, subject to the terms of the following sentence. For purposes of determining the occurrence of the preceding subclause (e), the following shall be expressly excluded: any change in directors resulting from (x) the death or incapacity of any director, (y) the resignation or removal of any director for reasons unrelated to a Permitted REIT Transfer, and/or (z) the addition of any independent director to comply with a national market place exchange such as NYSE, NASDAQ or OTC, provided any replacement director has been approved by a vote of at least a majority (or such higher percentage as may be required by the governing documents of GIPREIT) of the board of directors of GIPREIT then in office."

(iii) Section 33 captioned "NONRECOURSE " is hereby amended to read as follows:

"33. NONRECOURSE.

A. If an Event of Default has occurred (and regardless of whether or not it has been cured), Lender shall have all rights provided in the Note, this Security Instrument or any other Loan Document or at law or in equity, and shall have full recourse to the Property and to any other collateral given by Grantor to secure any or all of the Secured Debts, provided that any judgment obtained by Lender in any proceeding to enforce such rights shall be enforced only against the Property and such other collateral. Notwithstanding the foregoing, Lender shall not in any way be prohibited from naming Grantor or any of its successors or assigns or any person or entity holding under or through them as parties to any actions, suits or other proceedings initiated by Lender to enforce such rights or to foreclose the lien of this Security Instrument or to otherwise realize upon any other lien or security interest created in any other collateral given to secure the payment of the Secured Debts. The foregoing restriction shall not apply to, and Grantor shall be personally liable for, and Lender may seek and enforce judgment against Grantor for:

(i) any and all actual losses, claims, damages, costs, expenses and/or liabilities, including, attorneys' fees and expenses, suffered, sustained or incurred by Lender to the extent resulting from or arising out of:

(1) any application or use of any advance(s) or proceeds of the Loan (or any revenue) in violation of law or any Loan Document;

(2) failure to perform any obligation (including, without limitation, any obligation to indemnify) under any Loan Document regarding any remediation, contamination, environmental law, hazardous substance or underground storage tank;

(3) any actual and intentional fraudulent conduct (or intentional material misrepresentation) by any obligor on the Loan in closing the Loan or in any delivery or disclosure the Loan Documents require or contemplate, as a closing condition or otherwise;

(4) Grantor's: (a) agreeing to a modification of any lease of the Property (a "Lease") in violation of any Loan Document; or (b) failing to deliver to Lender or Lender's designee (within 5 days after Grantor is divested of title to the collateral securing the Loan through exercise of Lender's remedies) any security deposit, prepaid rent or original executed Lease(s);

(5) Grantor's failure to perform its obligations to remove, discharge or bond any mechanic's lien or other prohibited lien affecting the collateral securing the Loan, whether junior or senior to the Security Instrument, when and as the Loan Documents require (giving effect to any applicable cure and/or appeal periods set forth in the Loan Documents);

(6) any failure to pay operating expenses established by the Lender to be a priority expense and communicated to Grantor in writing at least 30 days prior to the applicable expenses being past due (unless Grantor is in default under the Loan Documents in which event the period of notification shall be reduced to such period of time as shall be reasonable under the circumstances), but only to the extent Grantor received revenue sufficient to pay those priority expenses established by Lender as taxes and insurance premiums;

(7) any willful destruction or removal at the direction, or with the actual knowledge, of Grantor or any of its members, of any material part of the collateral securing the Loan;

(8) any use or application of any security deposits in violation of law or the Leases, or failure to turn over security deposits to the transferee of the Property within 5 days after a foreclosure or transfer of in lieu of foreclosure, except to the extent that Grantor properly applied security deposit(s) in accordance with the applicable Lease(s) before the event of default that gave rise to that foreclosure or transfer in lieu of foreclosure; or

(9) material physical waste of any part of the collateral securing the Loan caused by the intentional acts or omissions of Grantor or any of its members or by the removal or disposal of any portion of such collateral by Grantor or any of its members or any affiliate acting at the direction of Grantor or any of its members.

(ii) all outstanding principal, interest and other Secured Debts, without exception or limitation (collectively, "Full Liability Events" and individually a "Full Liability Event":

(1) if Grantor, any Guarantor or any affiliate of either actively instigates or causes the commencement of any bankruptcy, liquidation or similar proceeding affecting Grantor, or any proceeding for the appointment of a receiver, trustee or similar officer for Grantor, even if any such proceeding is dismissed, withdrawn or resolved in a manner favorable to Lender;

(2) if Grantor fails to make the first monthly payment due under the Loan or if the validity of any of the Loan Documents are challenged in any proceeding or if any of the Loan Documents are held to be invalid or unenforceable because of the lack of power or authority of the Grantor or the failure of the Grantor to duly authorize, execute or deliver such Loan Documents; or

(0) if (a) Grantor voluntarily conveys ownership of any material part of the collateral securing the Loan or any Change of Control (hereinafter defined) occurs; (b) if Grantor fails to comply in any material respect with any SPE Covenant (except to the extent that an SPE Covenant directly or indirectly requires the contribution of additional capital to Grantor or the prevention of Grantor's insolvency); (c) if Grantor voluntarily grants a subordinate lien encumbering any material part of the collateral securing the Loan to secure any debt or obligation (not including any mechanic's lien, other statutory lien, judgment or similar claim arising without Grantor's affirmative consent to that specific lien, judgment or claim, even if it otherwise arose from Grantor's acts or omissions); and (d) if Grantor becomes the subject of any voluntary bankruptcy, liquidation or similar proceeding, or any voluntary proceeding for the appointment of a receiver, trustee or similar officer, even if any such proceeding is dismissed, withdrawn or resolved in a manner favorable to Lender. "Change of Control" means a change in the power to direct the management and policies of the Borrower, directly or indirectly, whether through direct or indirect ownership of economic interests in the Borrower, by proxy, power of attorney, voting trust, contract or otherwise.

Nothing in this Section, however, shall be deemed (w) to be a waiver of any right which the Lender may have under any bankruptcy law of the United States or the Commonwealth of Virginia including, but not limited to, Section 506(a), 506(b), 1111(b) or any other provisions of the U.S. Bankruptcy Code to file a claim for the full amount of the indebtedness evidenced and/or secured by the Loan Documents or to require that all collateral securing such indebtedness shall continue to secure all of such indebtedness in accordance with the Loan Documents, (x) to impair the validity of the indebtedness secured by the Loan Documents, (y) to impair the right of the Lender, as beneficiary, or secured party to commence an action to foreclose any lien or security interest, or (z) to modify, diminish or discharge the liability of any Guarantor under any guaranty, or of any indemnitor under any indemnity agreement including, without limitation, the Environmental Indemnity Agreement.

(iii) all protective advances and reasonable, out of pocket legal costs arising from clauses (i) and (ii) above and/or enforcement of Grantor's or any Guarantor's obligations arising from the Nonrecourse Carveout Liabilities and Obligations (hereinafter defined).

The restriction on enforcement contained in the first sentence of this Section shall not apply to the Environmental Indemnity Agreement of even date herewith executed by Grantor and the other indemnitors, in favor of Lender and/or to the obligations of any Guarantor. It is expressly understood and agreed, however, that nothing contained in this Section shall (y) in any manner or way constitute or be deemed to be a release of the Secured Debt or otherwise affect or impair the enforceability of the liens, assignments, rights and security interests created by this Security Instrument or any of the other Loan Documents or any future advance or any related agreements or (z) preclude Lender from foreclosing this Security Instrument or from exercising its other remedies set forth in this Security Instrument or the Assignment of Leases and Rents, or from enforcing any of its rights and remedies at law or in equity (including injunctive and declaratory relief, restraining orders and receivership proceedings), except as provided in this Section. All matters as to which this Section provides that Grantor is personally liable shall be referred to herein as the Nonrecourse Carveout Liabilities and Obligations."

(iv) The following provisions are added as new Sections 35 and 36:

"35. RESERVE ACCOUNT.

A. As additional security for the indebtedness secured hereby, Grantor shall establish and maintain a reserve account (the "Reserve Account") required by this Section 35, subject to the security interest therein as more fully set forth in Section 1 hereof and in the Security Agreement (the "Security Agreement") dated of even date herewith between the Grantor, as Debtor, and the Lender, as Secured Party.

B. There is hereby established two subaccounts in the Reserve Account: a Repair and Replacement Account (the "R&R Account") and a Deferred Maintenance Account (the "Deferred Maintenance Account").

C. Grantor agrees that it will perform all repairs, replacements, renovations and deferred maintenance items (collectively, the "Immediate Repairs") identified in that certain Property Condition Report (the "PCR") dated July 21, 2017 (Partner Project No. 17-191846.1) prepared by Partner Engineering North Carolina, PLLC for the Property. Simultaneously herewith, Grantor shall deposit with Lender the sum of $15,142.00 (the "Immediate Repairs Reserve"), which amount is equal to 100% of the estimated cost of the Immediate Repairs, to be held in the Deferred Maintenance Account subject to this Security Instrument and the Security Agreement, for payment of the Immediate Repairs.

D. Monthly, on the same day as monthly payments on the Loan are due, Grantor shall deposit to the R&R Account $588.83 (such sums on deposit in the R&R Account, the "R&R Reserves", and together with the Immediate Repairs Reserves, the "Reserves") to be used for payment of costs of future repairs and replacements (the "Future Repairs" and together with the Immediate Repairs, the "Repairs"). These monthly deposits shall be increased at the written request of Lender if Lender reasonably calculates such increase is necessary to insure sufficient funds are in the R&R Account to pay all Future Repairs, when needed.

E. Grantor shall perform all Repairs in a good and workmanlike manner, in accordance with all applicable laws, ordinances, codes, rules and regulations, and in each case in a manner satisfactory to Lender and as necessary to satisfy the requirements/recommendations of the PCR. So long as no default shall exist and be continuing, or would occur upon the lapse of time and/or the giving of notice, Lender shall, to the extent Reserves are available for such purpose in the applicable subaccount of the Reserve Account, disburse to Grantor the amount paid or incurred by Grantor in performing the Repairs as required above upon satisfaction of the requirements set forth in Section 36 of this Security Instrument. Lender may, at Grantor's expense, make or cause to be made an inspection of the Property to determine the Repairs have been properly made. In the event that such inspection reveals, in Lender's sole judgment, that further Repairs are required, Lender shall provide Grantor with a written description of the required Repairs, and Grantor shall complete such Repairs to Lender's reasonable satisfaction within thirty (30) days after Lender's notice, or such later date as may be approved by Lender in its discretion.

36. DISBURSEMENT FROM THE RESERVE ACCOUNT. So long as no default shall have occurred and be continuing, or would occur upon the lapse of time and/or giving of notice, under this Security Instrument or any of the other Loan Documents, all Reserves in the Reserve Account shall be held by Lender for the purposes set forth in Section 35. So long as no default has occurred and is continuing, or would occur upon the lapse of time and/or giving of notice, Lender shall disburse to Grantor, from the applicable subaccount of the Reserve Account for the purposes set forth in Section 35, an amount equal to the actual expenses incurred to date by Grantor, less any prior disbursements to Grantor for such expenditure, but only to the extent that such expense is one for which, pursuant to Section 35, the funds in the applicable subaccount of the Reserve Account may be disbursed. Disbursements shall be made to Grantor within ten (10) days following Lender's receipt of each of the following:

(a) a written request from Grantor for such disbursement, accompanied by a certification by Grantor, in the form therefor then utilized by Lender or Lender's servicing agent;

(b) copies of invoices, receipts or other evidence satisfactory to Lender verifying the amount for which Grantor is requesting such disbursement;

(c) affidavits, lien waivers or other evidence reasonably satisfactory to Lender showing that all materialmen, laborers, contractors, suppliers and other parties who have or might claim statutory or common law liens, or who have furnished labor, materials or supplies to or in connection with the Property, have been paid all prior amounts due;

(d) a certification from an inspecting engineer or other third party acceptable to Lender, verifying that any work for which Grantor is requesting a disbursement has been properly completed and that the cost of such work bears a reasonable relationship to the costs incurred therefor;

(e) a copy of the certificate of occupancy for the improvements if, as a result of any work undertaken by Grantor, it was necessary to receive an amendment to the existing certificate of occupancy (or similar instrument) issued with respect to the improvements, or to obtain a new certificate of occupancy for the improvements or a certification of Grantor that no such amended or new certificate of occupancy is required; and

(f) payment of an administrative fee of $150 per request.

Lender shall not be required to make an advance from the applicable subaccount of the Reserve Account more frequently than once in any thirty (30) day period. In making any disbursement from the Reserve Account, Lender shall be entitled to rely on the disbursement request from Grantor without any inquiry into the accuracy, validity or contestability of any amount set forth therein. The Reserves shall not, unless otherwise explicitly required by applicable law, be or be deemed to be escrow or trust funds. Lender may, at its discretion, hold the Reserves either in separate accounts or commingled by Lender with any other funds in the possession or control of Lender. The Reserves are solely for the protection of Lender, and entail no responsibility on Lender's part beyond making disbursements upon strict satisfaction of the requirements of Section 35 and this Section 36 and beyond the allowing of due credit for the sums actually received. The Reserve Account is to be a non-interest bearing account and the funds therein are not to be invested. In the event that the amounts on deposit in the applicable subaccount of the Reserve Account are insufficient to reimburse Grantor for amounts otherwise properly requested, Grantor shall pay the amount of such deficiency. Upon completion of the Immediate Repairs in accordance with the provisions hereof, Lender shall, with reasonable promptness after receipt of Grantor's request therefor, disburse to Grantor any funds then remaining in the Deferred Maintenance Account. Upon assignment of this Security Instrument by Lender, any funds in the Reserve Account shall be turned over to the assignee, and any responsibility of the assignor with respect thereto shall terminate."

(e) Original Assignment of Leases and Rents:

(i) Section 2, captioned "SECURED DEBTS" is hereby amended by deleting in its entirety paragraph A captioned "Specific Debts" and inserting the following provisions in lieu thereof:

"Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note (No. 412398-60), dated October 23, 2017, made by Grantor payable to Lender, or order, with an original loan amount of $5,200,000.00 and maturing on October 23, 2024, as modified and increased by that certain Deed of Trust, Assignment of Leases and Rents and Related Loan Documents Assignment, Assumption and Modification Agreement dated September 30, 2019, by and among Grantor, GIPVA 130 Corporate Blvd, LLC, the Lender and James B. Mears, as Trustee, and consented to by joinder by Generation Income Properties, L.P., Generation Income Properties, Inc. and David Sobelman."

(ii) Section 9, captioned "TRANSFER OF AN INTEREST IN THE ASSIGNOR" is hereby amended to read as follows:

"TRANSFER OF AN INTEREST IN THE ASSIGNOR. If Assignor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), except for Permitted REIT Transfers (hereinafter defined), Lender may demand immediate payment if:

A. A beneficial interest in Assignor is sold or transferred.

B. There is a change in either the identity or number of members of a partnership or similar entity.

C. There is a change in ownership of the voting stock, partnership interest, or membership interest, of a corporation, partnership, limited liability company, or similar entity.

For purposes of the Loan Documents, 'Permitted REIT Transfers' means:

(1) the listing of common stock in Generation Income Properties, Inc. ("GIPREIT") on the New York Stock Exchange ("NYSE") or such other nationally recognized stock exchange (the "REIT Listing") provided GIPREIT satisfies all of the listing requirements of the U.S. Securities and Exchange Commission at the time of and as a condition of the REIT Listing, including, but not limited to, the net worth requirements;

(2) the issuance, sale, pledge, conveyance, transfer or other disposition (each, a "REIT Share Transfer") of any shares of common stock in GIPREIT (the "REIT Shares") so long as at the time of the REIT Share Transfer, the REIT Shares are listed on the NYSE or any other nationally recognized stock exchange;

(3) any issuance, sale, pledge, conveyance, transfer or other disposition of REIT Shares during the period prior to the REIT Listing (i.e., while the REIT is a publicly traded but non-listed entity), provided that such activities, singularly or taken as a whole, do not result in or cause a Change of Control; and

(4) any transfer, creation or issuance of limited partnership interests in Generation Income Properties, L.P. ("GIPLP") (each, a "Limited Partnership Interest Transfer") so long as: (A) there exists no uncured Event of Default under the Loan Documents; (B) the transfer does not result in any one person or entity having twenty-five percent (25%) or more of the legal or beneficial limited partnership interests in GIPLP; (C) the Limited Partnership Interest Transfer does not result in or cause a Change of Control; and (D) in the event such Limited Partnership Interest Transfer results in less than twenty-five percent (25%) of the legal or beneficial limited partnership interests being held by any single person or any single entity (other than GIPREIT), or if the legal or beneficial limited partnership interest is held directly or indirectly by Anthony W. Smith or Thomas E. Robinson even if the amount is equal to or greater than twenty-five percent (25%), the Assignor shall not be required to give the Lender notice of such Limited Partnership Interest Transfer.

Notwithstanding the foregoing to the contrary, in the event such Limited Partnership Interest Transfer results in twenty-five percent (25%) or more of the legal or beneficial limited partnership interests of GIPLP being held by any single natural person or any single entity (other than GIPREIT), then such transfer requires the advance consent of the Lender so long as the Lender does not withhold its consent for any reason other than such transfer would violate, or cause the Lender to be in violation of, any applicable law, rule or regulation or any Lender policies or procedures adopted pursuant thereto, including, without limitation, any laws related to national security, terrorism, or money laundering, and (A) the Assignor shall give the Lender no less than thirty (30) days' advance notice of any such Limited Partnership Interest Transfer, such notice to be accompanied by information sufficient to permit the Lender to conduct all necessary "know your customer" investigations on such person or entity and determine that the proposed transfer is a permitted transfer under this paragraph; (B) the Assignor shall

provide for any natural person having a twenty-five (25%) or more legal or beneficial interest in the GIPLP a certification from such person's attorney that he or she has met and reviewed identity documents (e.g. driver's license or passport with photo ID) of such person; and (C) Assignor shall pay all costs of the Lender in connection with such Lender's review of such Limited Partnership Interest Transfer, including reasonable legal fees.

For purposes of this Assignment, a "Change of Control" shall occur when: (a) GIPLP is no longer the sole member of the Assignor, (b) GIPLP is no longer the sole manager of the Assignor, (c) GIPREIT is no longer the general partner of GIPLP, and GIPREIT's direct interest in the GIPLP and/or its indirect interest in the Assignor falls below 50.1%, (d) any transfer of interests or series of transfers of interests in GIPREIT, which results in more than twenty-five percent (25%) of the ownership interests of GIPREIT being held by any single person or entity or related group of people or entities (excluding ownership by David Sobelman), or (e) the individuals comprising the Board of Directors of GIPREIT, as the same exists for the twelve (12) month period immediately prior to the Permitted REIT Transfer, fail to represent a majority of the Board of Directors of GIPREIT for the three (3) month period immediately after the date of completion of the Permitted REIT Transfer, subject to the terms of the following sentence. For purposes of determining the occurrence of the preceding subclause (e), the following shall be expressly excluded: any change in directors resulting from (x) the death or incapacity of any director, (y) the resignation or removal of any director for reasons unrelated to a Permitted REIT Transfer, and/or (z) the addition of any independent director to comply with a national market place exchange such as NYSE, NASDAQ or OTC, provided any replacement director has been approved by a vote of at least a majority (or such higher percentage as may be required by the governing documents of GIPREIT) of the board of directors of GIPREIT then in office."

(f) Security Agreement:

(i) Section 1, captioned **"SECURED DEBTS"** is hereby amended by deleting in its entirety paragraph A captioned**"Specific Debts"** and inserting the following provisions in lieu thereof:

"Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note (No. 412398-60), dated October 23, 2017, made by Grantor payable to Lender, or order, with an original loan amount of $5,200,000.00 and maturing on October 23, 2024, as modified and increased by that certain Deed of Trust, Assignment of Leases and Rents and Related Loan Documents Assignment, Assumption and Modification Agreement dated September 30, 2019, by and among Grantor, GIPVA 130 Corporate Blvd, LLC, the Lender and James B. Mears, as Trustee, and consented to by joinder by Generation Income Properties, L.P., Generation Income Properties, Inc. and David Sobelman."

(g) Original Loan Agreement, Original Deed of Trust, Original Assignment of Leases and Rents, Original Security Agreement and any other Loan Documents containing a "Default" Section or definition:

(i) The Section captioned "DEFAULT", and any section containing a definition of Default, is hereby amended by inserting the following provision as an additional Default:

"Other Loans. A default occurs under any other debt or loan with any other lender."

INSTRUMENT #190019417
RECORDED IN THE CLERK'S OFFICE
OF NORFOLK ON
OCTOBER 02, 2019 AT 04:17PM

GEORGE E. SCHAEFER, CLERK
RECORDED BY: EW

LOAN NUMBER	LOAN NAME	ACCT. NUMBER	AGREEMENT DATE	INITIALS
452011-60	GIPVA 2510 Walmer Ave, LLC		09/30/19	DB

NOTE AMOUNT	INDEX (w/Margin)	RATE	MATURITY DATE	LOAN PURPOSE
$8,260,000.00	Not Applicable	4.250%	09/30/24	Commercial

Creditor Use **Only**

COMMERCIAL LOAN AGREEMENT

Single Advance Loan

DATE AND PARTIES. The date of this Commercial Loan Agreement (Agreement) is September 30, 2019. The parties and their addresses are as follows:

LENDER:

NEWPORT NEWS SHIPBUILDING EMPLOYEES' CREDIT UNION, INC.
d/b/a BayPort Credit Union
One BayPort Way
Suite 350
Newport News, VA 23606

BORROWER:

GIPVA 2510 WALMER AVE, LLC
a Delaware Limited Liability Company
401 E. Jackson Street, Ste. 3300
Tampa, FL 33602

1. DEFINITIONS. For the purposes of this Agreement, the following terms have the following meanings

A. Accounting Terms. In this Agreement, any accounting terms that are not specifically defined will have their customary meanings under generally ***accepted*** accounting principles.

B. Insiders. Insiders include those defined as insiders by the United States Bankruptcy Code, as amended; or to the extent left undefined, include without limitation any officer, employee, stockholder or member, director, partner, or any immediate family member of any of the foregoing, or any person or entity which, directly or indirectly, controls, is controlled by or is under common control with me.

C. Loan. Loan refers to this transaction generally including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

D. Loan Documents. Loan Documents refer to all the documents executed as a part of or in connection with the Loan.

E. Pronouns. The pronouns "I", "me" and "my" refer to every Borrower signing this Agreement and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this Agreement. "You" and "your" refers to the Loan's lender, any participants or syndicators, successors and assigns, or any person or company that acquires an interest in the Loan

F. Property. Property is any property, real, personal or intangible, that secures my performance of the obligations of this Loan.

2. SINGLE ADVANCE. In accordance with the terms of this Agreement and other Loan Documents, you will provide me with a term note in the amount of $8,260,000.00 (Principal). I will receive the funds from this Loan in one advance. No additional advances are contemplated, except those made to protect and preserve your interests as provided in this Agreement or other Loan Documents.

3. MATURITY DATE. I agree to fully repay the Loan by September 30, 2024.

4. WARRANTIES AND REPRESENTATIONS. I make to you the following warranties and representations which will continue as long as this Loan is in effect, except when this Agreement provides otherwise.

A. Power. I am duly organized, and validly existing and in good standing in all jurisdictions in which I operate. I have the power and authority to enter into this transaction and to carry on my business or activity as it is now being conducted and as applicable, am qualified to do so in each jurisdiction in which I operate.

B. Authority. The execution, delivery and performance of this Loan and the obligation evidenced by the Note are within my powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which I am a party or to which I am or any of my property is subject.

C. Name and Place of Business. Other than previously disclosed in writing to you I have not changed my name or principal place of business within the last 10 years and have not used any other trade or fictitious name. Without your prior written consent, I do not and will not use any other name and will preserve my existing name, trade names and franchises.

D. Hazardous Substances. Except as I previously disclosed in writing and you acknowledge in writing, no Hazardous Substance, underground tanks, private dumps or open wells are currently located at, on, in, under or about the Property.

E. Use of Property. After diligent inquiry, I do not know or have reason to know that any Hazardous Substance has been discharged, leached or disposed of, in violation of any Environmental Law, from the property onto, over or into any other property, or from any other property onto, over or into the property.

F. Environmental Laws. I have no knowledge or reason to believe that there is any pending or threatened investigation, claim, judgment or order, violation, lien, or other notice under any Environmental Law that concerns me or the property. The property and any activities on the property are in full compliance with all Environmental Law.

G. Loan Purpose. This is a business-purpose loan transaction.

H. No Other Liens. I own or lease all property that I need to conduct my business and activities. I have good and marketable title to all property that I own or lease. All of my Property is free and clear of all liens, security interests, encumbrances and other adverse claims and interests, except those to you or those you consent to in writing.

I. Compliance With Laws. I am not violating any laws, regulations, rules, orders, judgments or decrees applicable to me or my property, except for those which I am challenging in good faith through proper proceedings after providing adequate reserves to fully pay the claim and its challenge should I lose.

5. FINANCIAL STATEMENTS. I will prepare and maintain my financial records using consistently applied generally accepted accounting principles then in effect. I will provide you with financial information in a form that you accept and under the following terms.

A. Certification. I represent and warrant that any financial statements that I provide you fairly represents my financial condition for the stated periods, is current, complete, true and accurate in all material respects, includes all of my direct or contingent liabilities and there has been no material adverse change in my financial condition, operations or business since the date the financial information was prepared.

B. Frequency. If requested, I will provide to you on an annual basis my financial statements, tax returns, annual internal audit reports or those prepared by independent accountants as soon as available or at least within 120 days after the close of each of my fiscal years. Any annual financial statements that I provide you will be prepared statements.

C. Rent Roll and Vacancy Analysis Report. If requested, I will provide you with an annual report concerning my rental real estate property, listing for each month: .1 current tenants, the square footage each tenant rented, the rent each paid and each lease's expiration date as well as the square footage that remained vacant.

D. Requested Information. I will provide you with any other information about my operations financial affairs and condition within 10 days after your request.

E. Additional Financial Statements Terms. BAYPORT CREDIT UNION WILL RESERVE THE RIGHT TO ASK FOR FINANCIAL INFORMATION AT ANY TIME, IN ORDER TO INSURE THE STABILITY OF THE OUTSTANDING CREDIT FACILITY.

6. COVENANTS. Until the Loan and all related debts, liabilities and obligations are paid and discharged, I will comply with the following terms, unless you waive compliance in writing.

A. Participation. I consent to you participating or syndicating the Loan and sharing any information that you decide is necessary about me and the Loan with the other participants or syndicators.

B. Inspection. Following your written request, I will immediately pay for allone-time and recurring out-of-pocket costs that are related to the inspection of my records, business or Property that secures the Loan. Upon reasonable notice, I will permit you or your agents to enter any of my premises and any location where my Property is located during regular business hours to do the following.

(1) You may inspect, audit, check, review and obtain copies from my books, records, journals, orders, receipts, and any correspondence and other business related data.

(2) You may discuss my affairs, finances and business with any one who provides you with evidence that they are a creditor of mine, the sufficiency of which will be subject to your sole discretion.

(3) You may inspect my Property, audit for the use and disposition of the Property's proceeds and proceeds of proceeds; or do whatever you decide is necessary to preserve and protect the Property and your interest in the Property.

After prior notice to me, you may discuss my financial condition and business operations with my independent accountants, if any, or my chief financial officer and I may be present during these discussions. As long as the Loan is outstanding, I will direct all of my accountants and auditors to permit you to examine my records in their possession and to make copies of these records. You will use your best efforts to maintain the confidentiality of the information you or your agents obtain, except you may provide your regulator, if any, with required information about my financial condition, operation and business or that of my parent, subsidiaries or affiliates.

C. Business Requirements. I will preserve and maintain my present existence and good standing in the jurisdiction where I am organized and all of my rights, privileges and franchises. I will do all that is needed or required to continue my business or activities as presently conducted, by obtaining licenses, permits and bonds everywhere I engage in business or activities or own, lease or locate my property. I will obtain your prior written consent before I cease my business or before I engage in any new line of business that is materially different from my present business.

D Compliance with Laws. I will not violate any laws, regulations, rules, orders, judgments or decrees applicable to me or my Property, except for those which I challenge in good faith through proper proceedings after providing adequate reserves to fully pay the claim and its appeal should I lose. Laws include without limitation the Federal Fair Labor Standards Act requirements for producing goods, the federal Employee Retirement Income Security Act of 1974's requirements for the establishment, funding and management of qualified deferred compensation plans for employees, health and safety laws, environmental laws, tax laws, licensing and permit laws. On your request, I will provide you with written evidence that I have fully and timely paid my taxes, assessments and other governmental charges levied or imposed on me, my income or profits and my property. Taxes include without limitation sales taxes, use taxes, personal property taxes, documentary stamp taxes, recordation taxes, franchise taxes, income taxes, withholding taxes, FICA taxes and unemployment taxes. I will adequately provide for the payment of these taxes, assessments and other charges that have accrued but are not yet due and payable.

E. New Organizations. I will obtain your written consent before organizing, merging into, or consolidating with an entity; acquiring all or substantially all the assets of another; materially changing the legal structure, management, ownership or financial condition; or effecting or entering into a domestication, conversion or interest exchange.

F. Other Liabilities. I will not incur, assume or permit any debt evidenced by notes, bonds or similar obligations, except: debt in existence on the date of this Agreement and fully disclosed to you; debt subordinated in payment to you on conditions and terms acceptable to you; accounts payable incurred in the ordinary course of my business and paid under customary trade terms or contested in good faith with reserves satisfactory to you.

G. Notice to You. I will promptly notify you of any material change in my financial condition, of the occurrence of a default under the terms of this Agreement or any other Loan Document, or a default by me under any agreement between me and any third party which materially and adversely affects my property, operations, financial condition or business.

H. Dispose of No Assets. Without your prior written consent or as the Loan Documents permit, I will not sell, lease, assign, transfer, dispose of or otherwise distribute all or substantially all of my assets to any person other than in the ordinary course of business for the assets' depreciated book value or more.

I. Insurance. I will obtain and maintain insurance with insurers, in amounts and coverages that are acceptable to you and customary with industry practice.

This may include without limitation insurance policies for public liability, fire, hazard and extended risk, workers compensation, and, at your request, business interruption and/or rent loss insurance. At your request, I will deliver to you certified copies of all of these insurance policies, binders or certificates. I will obtain and maintain a mortgagee clause (or lender loss payable clause) endorsement—naming you as the loss payee. If you require, I will also obtain an "additional insured" endorsement—naming you as an additional insured. I will immediately notify you of cancellation or termination of insurance will require all insurance policies to provide you with at least 10 days prior written notice to you of cancellation or

modification. I consent to you using or disclosing information relative to any contract of insurance required by the for the purpose of replacing this insurance. I also authorize my insurer and you toexchange all relevant information related to any contract of insurance required by any document executed as part of this Loan.

J. Property Maintenance. I will keep all tangible and intangible property that I consider necessary or useful in my business in good working condition by making all needed repairs, replacements and improvements and by making all rental, lease or other payments due on this property.

K. Property Loss. I will immediately notify you, and the insurance company when appropriate, of any material casualty, loss or depreciation to the Property or to my other property that affects my business.

L. Additional Taxes. I will pay all filing and recording costs and fees, including any recordation, documentary or transfer taxes or stamps, that are required to be paid with respect to this Loan and any Loan Documents.

M. Additional Covenants. I/We HEREBY AGREE AND WARRANT THAT the Property shall maintain a Debt Service Coverage Ratio (the "Project DSCR") of at least 1.25:1.00. Generation Income Properties, L.P. shall, with respect to the Property and, if and when acquired through a wholly owned subsidiary, the property known according to the present street numbering system as 130 Corporate Bvd, Norfolk, Virginia (the "Corporate Blvd. Property"), maintain a Debt Service Coverage Ratio (the "Norfolk Properties DSCR") of at least 1.25:1.00 and with respect to all properties in the portfolio, a Debt Service Coverage Ratio (the "Portfolio DSCR") of 1.00:1.00. The Project DSCR, the Norfolk Properties DSCR and the Portfolio DSCR shall be calculated as provided in the Loan Documents and tested on trailing 12 months based on the Borrower's and Generation Income Properties, L F 's annual tax information return, as applicable. Project DSCR shall *be* calculated by dividing the sum of Net Income plus depreciation, amortization and interest expense by debt service on the Loan. Norfolk Properties DSCR shall be calculated by dividing the sum of Net Income of the Property and the Corporate Blvd. Property (taking into account debt service on the loan on the Corporate Blvd. Property) plus depreciation, amortization and interest expense by debt service on the Loan. DSCR shall be calculated by dividing the sum of Net Income of Generation Income Properties, L.P. (taking into account debt service on loans on all portfolio properties other than the Project) plus depreciation, amortization and interest expense by debt service on the Loan.

I/WE HEREBY AGREE AND WARRANT THAT AN ACTIVE DEPOSIT ACCOUNT RELATIONSHIP WILL BE ESTABLISHED WITH LENDER AND MAINTAINED DURING THE TERM OF THIS LOAN. THIS WILL INCLUDE A MEMBERSHIP ACCOUNT AND A CHECKING ACCOUNT. ALL MONTHLY LOAN PAYMENTS WILL AUTOMATICALLY BE DEDUCTED FROM THE DEPOSIT ACCOUNT.

7. DEFAULT. I will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. I fail to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against me or any co-signer, endorser, surety or guarantor of this Agreement or any other obligations I have with you.

C. Business Termination. I merge dissolve, reorganize, end my business or existence, or a partner or majority owner dies or is declared legally incompetent.

D. Failure to Perform. I fail to perform any condition or to keep any promise or covenant of this Agreement.

E. Other Documents. A default occurs under the terms of any other Loan Document.

F. Other Agreements. I am in default on any other debt or agreement I have with you.

G. Misrepresentation. I make any verbal or written statement or provide any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

H. Judgment. I fail to satisfy or appeal *any* judgment against me.

I. Forfeiture. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

J. Name Change. I change my name or assume an additional name without notifying you before making such a change.

K. Property Transfer. I transfer all or a substantial part of my money or property.

L. Property Value. You determine in good faith that the value of the Property has declined or is impaired.

M. Material Change. Without first notifying you, there is a material change in my business, including ownership, management, and financial conditions.

N. Insecurity. You determine in good faith that a material adverse change has occurred in my financial condition from the conditions set forth in my most recent financial statement before the date of this Agreement or that the prospect for payment or performance of the Loan is impaired for any reason.

8. REMEDIES. After I default, you may at your option do any one or more of the following.

A. Acceleration. You may make all or any part of the amount owing by the terms of the Loan immediately due. If I a-vi a debtor in a bankruptcy petition or in an application filed under section 5(a)(3) of the Securities Investor Protection Act, the Loan is automatically accelerated and immediately due and payable without notice or demand upon filing of the petition or application.

B. Sources. You may use any and all remedies you have under state or federal law or in any Loan Document.

C. Insurance Benefits. You may make a claim for any and all insurance benefits or refunds that may be available on my default.

D. Payments Made On My Behalf. Amounts advanced on my behalf will be immediately due and may be added to the balance owing under the terms of the Loan, and accrue interest at the highest post-maturity interest rate.

E. Set-Off. You may use the right of set-off. This means you may set-off any amount due and payable under the terms of the Loan against any right I have to receive money from you.

My right to receive money from you includes any deposit or share account balance I have with you; any money owed to me on an item presented to you or in your possession for collection or exchange; and any repurchase agreement or other non-deposit obligation "Any amount due and payable under the terms of the Loan" means the total amount to which you are entitled to demand payment under the terms of the Loan at the time you set-off.

Subject to any other written contract, if my right to receive money from you is also owned by someone who has not agreed to pay the Loan, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement.

In addition, you may also have rights under a "statutory lien". A "statutory lien" means your right under state or federal law to establish a right in, or claim to, my shares and dividends to the extent of any outstanding financial obligations that I have with you. If you have a statutory lien, you may without further notice, impress and enforce the statutory lien on my shares and dividends to the extent of any sums due and payable under the terms of the Loan that I fail to satisfy.

Your set-off and statutory lien rights do not apply to an account or other obligation where my rights arise only in a representative capacity. They also do not apply to any Individual Retirement Account or other tax-deferred retirement account.

You will not be liable for the dishonor of any check or share draft when the dishonor occurs because you set-off against any of my accounts, or

exercised your statutory lien rights. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off or statutory lien rights.

F. Waiver. Except as otherwise required by law, by choosing any one or more of these remedies you do not give up your right to use any other remedy. You do not waive a default if you choose not to use a remedy. By electing not to use any remedy, you do not waive your right to later consider the event a default and to use any remedies if the default continues or occurs again.

9. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, I agree to pay all expenses of collection, enforcement or protection of your rights and remedies under this Agreement or any other Loan Document. Expenses include (unless prohibited by law) reasonable attorneys' fees, court costs, and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this Loan. All fees and expenses will be secured by the Property I have granted to you, if any. In addition, to the extent permitted by the United States Bankruptcy Code, I agree to pay the reasonable attorneys' fees incurred by you to protect your rights and interests in connection with any bankruptcy proceedings initiated by or against me.

10. APPLICABLE LAW. This Agreement is governed by the laws of Virginia, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

11. JOINT AND SEVERAL LIABILITY AND SUCCESSORS. My obligation to pay the Loan is independent of the obligation of any other person who has also agreed to pay it. You may sue me alone, or anyone else who is obligated on the Loan, or any number of us together, to collect the Loan. Extending the Loan or new obligations under the Loan, will not affect my duty under the Loan and I will still be obligated to pay the Loan. You may assign all or part of your rights or duties under this Agreement or the Loan Documents without my consent. If you assign this Agreement, all of my covenants, agreements, representations and warranties contained in this Agreement or the Loan Documents will benefit your successors and assigns. I may not assign this Agreement or any of my rights under it without your prior written consent. The duties of the Loan will bind my successors and assigns.

12. AMENDMENT, INTEGRATION AND SEVERABILITY. This Agreement may not be amended or modified by oral agreement. No amendment or modification of this Agreement is effective unless made in writing. This Agreement and the other Loan Documents are the complete and final expression of the understanding between you and me. If any provision of this Agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

13. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Agreement.

14. NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Borrower will be deemed to be notice to all Borrowers. I will inform you in writing of any change in my name, address or other application information. I will provide you any correct and complete financial statements or other information you request. I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property. Time is of the essence.

15. AGREEMENT TO ARBITRATE. You or I may submit to binding arbitration any dispute, claim or other matter in question*between* or among you and me that arises out of or relates to this Transaction (Dispute). except as otherwise indicated in this section or as you and I agree to in writing. For purposes of this section, this Transaction includes this Agreement and the other Loan Documents, and proposed loans or extensions of credit that relate to this Agreement. You or I will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws.

You and I must consent to arbitrate any Dispute concerning a debt secured by real estate at the time of the proposed arbitration. You may foreclose or exercise any powers of sale against real property securing a debt underlying any Dispute before, during or after any arbitration. You may also enforce a debt secured by this real property and underlying the Dispute before, during or after any arbitration.

You or I may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to you or me; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

You and I acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among you and me involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this section.

The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this Agreement, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Agreement or another writing.

16. WAIVER OF TRIAL FOR ARBITRATION. You and I understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, you and I voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

17. WAIVER OF JURY TRIAL. If the parties do not opt for arbitration, then all of the parties to this Agreement knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Agreement or any other Loan Document or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

18. SIGNATURES. By signing under seal, I agree to the terms contained in this Agreement. I also acknowledge receipt of a copy of this Agreement.

BORROWER:

GIPVA 2510 Weimer Ave, LLC

By Generation Income Properties, L.P., Sole Member

By Generation Income Properties, Inc., General Partner

By 
David Sobelman, President

LENDER:

Newport News Shipbuilding Employees' Credit Union, Inc.

Exhibit 10.9

LIMITED GUARANTY AGREEMENT

THIS LIMITED GUARANTY AGREEMENT effective April 4, 2018 (together with any amendments or modifications hereto in effect from time to time, the "Guaranty"), made by **DAVID E. SOBELMAN,** an individual, having an address of 3117 West Oaklyn Avenue, Tampa, Florida 33609 ("Guarantor"), in favor of **AMERICAN MOMENTUM BANK,** its successors and assigns, having an address of 500 South Washington Boulevard, Sarasota, Florida 34236 ("Lender").

To induce Lender to make loans, extensions of credit or other financial accommodations to **GENERATION INCOME PROPERTIES, INC.,** a Maryland corporation ("Borrower"), now or in the future, and with full knowledge that Lender would not make the said loans, extensions of credit or financial accommodations without this Guaranty, which shall be construed as a contract of suretyship, Guarantor unconditionally agrees as follows:

1. LIABILITIES GUARANTEED.

Guarantor hereby guarantees and becomes surety to Lender for the full, prompt and unconditional payment of the Liabilities (as defined below), when and as the same shall become due, any and all loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including actual documented reasonable attorneys' fees) arising out of or in connection with or as a result of fraud or intentional misrepresentation of a material fact by Borrower or a single purpose entity ("SPEs") pledging or hypothecating a mortgage or deed of trust to Lender in order to secure the Liabilities (as herein defined) and in connection with said Liabilities, but not otherwise. This is a continuing guaranty of payment and not of collection as to the matters guaranteed herein. Lender may require Guarantor to pay and perform its liabilities and obligations under this Guaranty and may proceed immediately against Guarantor without being required to bring any proceeding or take any action against Borrower, any other guarantor or any other person, entity or property prior thereto, the liability of Guarantor hereunder being joint and several, and independent of and separate from the liability of Borrower, any other guarantor or person, and the availability of other collateral security for the Note and the other Loan Documents.

2. DEFINITIONS.

2.1. **"Note"** means that certain Promissory Note of even date herewith in the principal amount of Three Million Seven Hundred Thousand and No/100 Dollars ($3,700,000.00) from Borrower to Lender.

2.2. **"Loan Documents"** shall mean all documents and instruments entered into between Borrower and Lender so as to secure Borrower's liability to the Lender. The terms of the Loan Documents are hereby made a part of this Guaranty to the same extent and with the same effect as if fully set forth herein.

2.3. **"Liabilities"** means, collectively: (i) the repayment of up to fifty percent (50.0%) of the outstanding principal due under the Note (and all extensions, renewals, future advances, replacements and amendments thereof); and (ii) the performance by Borrower in all material respects of all terms, conditions and covenants of Borrower or any SPE set forth in the Loan Documents.

3. **REPRESENTATION AND WARRANTIES.** Guarantor represents and warrants to Lender as follows:

3.1. **Organization, Powers.** Guarantor (i) is an adult individual, U.S. Citizen, and a resident of the State of Florida; (ii) has the power and authority to own his properties and assets and to carry on his business as now being conducted and as now contemplated; and (iii) has the power and authority to execute, deliver and perform, and by all necessary action has authorized the execution, delivery and performance of, all of his obligations under this Guaranty.

3.2. **Execution of Guaranty.** This Guaranty has been duly executed and delivered by Guarantor. Execution, delivery and performance of this Guaranty will not: (i) violate any provision of law, order of any court, agency or instrumentality of government, or any provision of any indenture, agreement or other instrument to which Guarantor is a party or by which he or any of his properties is bound; (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature, other than the liens created by the Loan Documents; and (iii) to his knowledge, require any authorization, consent, approval, license, exemption of, or filing or registration with, any court or governmental authority applicable to him.

3.3. **Obligations of Guarantor.** This Guaranty is the legal, valid and binding obligation of Guarantor, enforceable against him in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws or equitable principles relating to or affecting the enforcement of creditors' rights generally. The loans or credit accommodations made by Lender to Borrower and the assumption by Guarantor of his obligations hereunder will result in material benefits to Guarantor. This Guaranty was entered into by Guarantor for commercial purposes.

3.4. **Litigation.** There is no action, suit, or proceeding at law or in equity or by or before any governmental authority, agency or other instrumentality now pending or, to the knowledge of Guarantor, threatened against or affecting Guarantor or any of his properties or rights which, if adversely determined, would materially impair or affect: (i) the value of any collateral securing the Liabilities; (ii) Guarantor's right to carry on his business substantially as now conducted (and as now contemplated); (iii) his financial condition; or (iv) his capacity to consummate and perform his obligations under this Guaranty.

3.5. **No Defaults.** Guarantor is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained herein (and no event has occurred and is continuing which with notice, or the passage of time, or either, would constitute a default), or, to the knowledge of Guarantor, in any other material agreement or instrument to which he is a party or by which he or any of his properties is bound.

3.6. **No Untrue Statements.** No Loan Document or other document, certificate or statement furnished to Lender by or on behalf of Guarantor contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading. Guarantor acknowledges that all such statements, representations and warranties shall be deemed to have been relied upon by Lender as an inducement to make the loan comprising the Liabilities to Borrower.

3.7. Financial Statements. All financial statements and other financial information heretofore furnished by Guarantor to Lender are true and correct in all material respects, and fairly present the financial condition of Guarantor as of the dates thereof, including all contingent liabilities of Guarantor, and the financial condition of Guarantor as stated in the financial statements provided to Lender has not changed materially and adversely since the dates of such documents.

4. EVENTS NOT AFFECTING GUARANTOR'S LIABILITY.

4.1. Without incurring responsibility to Guarantor, and without impairing or releasing the obligations of Guarantor to Lender hereunder, and without reducing the amount due under the terms of this Guaranty, Lender may at any time and from time to time, without the consent of or notice to Guarantor, upon any terms or conditions, and in whole or in part:

4.1.1. Change the manner, place or terms of payment of (including, without limitation, the interest rate and monthly payment amount), and/or change or extend the time for payment of, or renew or modify, any of the Liabilities or other obligation due Lender, any security therefor, or any of the Loan Documents evidencing same, and the Guaranty herein made shall apply to the Liabilities and the Loan Documents as so changed, extended, renewed or modified;

4.1.2. Sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order, any property securing the Liabilities or other obligation due Lender;

4.1.3. Exercise or refrain from exercising any rights against Borrower or other obligated parties (including Guarantor) or against any security for the Liabilities or other obligation due Lender;

4.1.4. Settle or compromise any Liabilities or other obligation due Lender, whether in a proceeding or not, and whether voluntarily or involuntarily, dispose of any security therefor (with or without consideration), and subordinate the payment of any of the Liabilities or other obligation due Lender, whether or not due, to the 'payment of liabilities owing to creditors of Borrower other than Lender and Guarantor;

4.1.5. Apply any sums it receives, by whomever paid or however realized, to any of the Liabilities or other obligation due Lender;

4.1.6. Add, release, settle, modify or discharge the obligation of any maker, endorser, guarantor, surety, obligor or any other party who is in any way obligated for any of the Liabilities or other obligation due Lender;

4.1.7. Accept any additional security for the Liabilities or other obligation due Lender; and/or

4.1.8. Take any other action which might constitute a defense available to, or a discharge of, Borrower or any other obligated party (including Guarantor) in respect of the Liabilities or other obligation due Lender.

4.2. The invalidity, irregularity or unenforceability of all or any part of the Liabilities or other obligation due Lender or any Loan Document, or the impairment or loss of any security therefor, whether caused by any action or inaction of Lender, or otherwise, shall not affect, impair or be a defense to Guarantor's obligations under this Guaranty.

5. LIMITATION ON SUBROGATION.

Until such time as the Liabilities and all other amounts and obligations due lender from Borrower are paid in full, Guarantor waives any present or future right to which Guarantor is or may become entitled to be subrogated to Lender's rights against Borrower or to seek contribution, reimbursement, indemnification, payment or the like, or participation in any claim, right or remedy of Lender against Borrower or any security which Lender now has or hereafter acquires, whether or not such claim, right or remedy arises under contract, in equity, by statute, under common law or otherwise. If, notwithstanding such waiver, any funds or property shall be paid or transferred to Guarantor on account of such subrogation, contribution, reimbursement, or indemnification at any time when all of the Liabilities and other amounts and obligations due Lender have not been paid in full, Guarantor shall hold such funds or property in trust for Lender and shall forthwith pay over to Lender such funds and/or property to be applied by Lender to the Liabilities but only to the extent of Guarantor's liability hereunder. Notwithstanding anything to the contrary herein, distributions to Guarantor shall be permitted so long as there is no Event of Default by Borrower under any loan facility by Lender to Borrower and such distribution is in the ordinary course of business.

6. EVENTS OF DEFAULT.

Each of the following shall constitute a default (each, an **"Event of Default")** hereunder:

6.1. A breach by Guarantor of any other term, covenant, condition, obligation or agreement under this Guaranty, and such breach, if curable, is not cured within thirty (30) days after written notice of default is given by Lender, unless the same is not capable of being cured within said thirty (30) day period, in which case Guarantor shall have such longer period of time not to exceed ninety (90) days in total (inclusive of such thirty (30) day period) in which to cure such default provided that he commences such cure within such initial thirty (30) day period and thereafter diligently prosecutes the same to completion;

6.2. Any representation or warranty made by Guarantor in this Guaranty shall prove to be false, incorrect or misleading in any material respect; provided, however, if, but only if, such breach or default is curable, an Event of Default shall not be deemed to have occurred hereunder unless such breach or default is not cured within thirty (30) days after written notice of such breach or default is given by Lender, unless the same is not capable of being cured within said thirty (30) day period, in which case Guarantor shall have such longer period of time not to exceed ninety (90) days in total (inclusive of such thirty (30) day period) in which to cure such default provided that he commences such cure within such initial thirty (30) day period and thereafter diligently prosecutes the same to completion;

6.3. Except as expressly permitted in the Loan Documents, any transfer, sale, conveyance, disposition or assignment the membership, partnership, stock or other ownership interest or management rights of Guarantor in Borrower, whether voluntary, involuntary, or by operation of law, without the express prior written consent of Lender; and/or

6.4. A breach, default or event of default by Borrower or Guarantor under any of the other Loan Documents, after giving effect to any applicable notice or cure provisions therein (if any).

7. REMEDIES.

7.1. Upon an Event of Default and so long as Lender has incurred a loss, damage, cost, expense, liability, claim or other obligation as a result of the fraud or intentional misrepresentation of a material fact by Borrower or an SPE pledging or hypothecating a mortgage or deed of trust to Lender in order to secure the Liabilities, all liabilities of Guarantor hereunder shall- become immediately due and payable without demand or notice (except to the extent expressly provided herein) and, in addition to any other remedies provided by law, the Lender may take any or all of the following actions without requirement of demand for payment or performance on the part of Borrower or any other person and without requirement of any notice or resort to any collateral:

7.1.1. Declare all of Borrower's obligations under the Loan Documents, regardless of their terms, immediately due and payable and that performance thereof is immediately required;

7.1.2. Accelerate any and all obligations of Borrower and/or the Liabilities and require their immediate and full performance;

7.1.3. Enforce the Liabilities of Guarantor under this Guaranty, subject to the limitations contained in the definition of "Liabilities";

7.1.4. To the extent not prohibited by and in addition to any other remedy provided by law, setoff against any of the Liabilities any sum owed by Lender in any capacity to Guarantor whether due or not;

7.1.5. Perform any covenant or agreement of Guarantor in default hereunder (but without obligation to do so) and in that regard pay such money as may be required or as Lender may reasonably deem expedient. Any costs, expenses or fees, including reasonable attorneys' fees and costs, incurred by Lender in connection with the foregoing

shall be included in the Liabilities, with no limitation as to repayment amount, and shall be due and payable on demand, together with interest at the Default Rate (as defined and described in the Note) but only as to the Liabilities, such interest to be calculated from the date of such advance to the date of repayment thereof Any such action by Lender shall not be deemed to be a waiver or release of Guarantor hereunder and shall be without prejudice to any other right or remedy of Lender;

7.1.6. Lender shall have all rights and remedies afforded to it under the Note and the other Loan Documents.

7.2. Settlement of any claim by Lender against Borrower, whether in any proceeding or not, and whether voluntary or involuntary, shall not reduce the amount due under the terms of this Guaranty, except to the extent of the amount actually paid by Borrower or any other obligated party and legally retained by Lender in connection with the settlement (unless otherwise provided for herein).

8. MISCELLANEOUS.

8.1. Disclosure of Financial Information. Lender is hereby authorized to disclose any financial or other information about Guarantor to any regulatory body or agency having jurisdiction over Lender if required by such regulatory body or agency as part of any audit or otherwise, or to any present, future or prospective participant or successor in interest in any loan or other financial accommodation made by Lender to Borrower or Guarantor. The information provided may include, without limitation, amounts, terms, balances, payment history, return item history and any financial or other information about Guarantor.

8.2. Remedies Cumulative. The rights and remedies of Lender, as provided herein and in any other Loan Document, shall be cumulative and concurrent, may be pursued separately, successively or together, may be exercised as often as occasion therefor shall arise, and shall be in addition to any other rights or remedies conferred upon Lender at law or in equity. The failure, at any one or more times, of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release thereof Lender shall have the right to take any action it deems appropriate without the necessity of resorting to any collateral securing this Guaranty.

8.3. Integration: This Guaranty and the other Loan Documents constitute the sole agreement of the parties with respect to the transaction contemplated hereby and supersede all oral negotiations and prior writings with respect thereto.

8.4. Attorneys' Fees and Expenses. If Lender retains the services of counsel by reason of a claim of an Event of Default hereunder or under any of the other Loan Documents, or on account of any matter involving this Guaranty, or for examination of matters subject to Lender's approval under the Loan Documents, all costs of suit and all reasonable actual and documented attorneys' fees and such other reasonable expenses so incurred by Lender shall forthwith, on demand, become due and payable and shall be secured hereby. Notwithstanding the above, in the event of litigation, Lender shall only be entitled to attorney's fees if it is the prevailing party.

8.5. **No Implied Waiver.** Lender shall not be deemed to have modified or waived any of its rights or remedies hereunder unless such modification or waiver is in writing and signed by Lender, and then only to the extent specifically set forth therein. A waiver in one event shall not be construed as continuing or as a waiver of or bar to such right or remedy on a subsequent event.

8.6. **Waiver.** Guarantor waives notice of acceptance of this Guaranty and notice of the Liabilities and, except to the extent otherwise expressly provided herein, waives notice of default, non-payment, partial payment, presentment, demand, protest, notice of protest or dishonor, and all other notices to which Guarantor might otherwise be entitled or which might be required by law to be given by Lender. Guarantor waives the right to marshalling of Borrower's assets or any stay of execution and the benefit of all exemption laws, to the extent permitted by law, and any other protection granted by law to guarantors, now or hereafter in effect with respect to any action or proceeding brought by Lender against it. Guarantor irrevocably waives all claims of waiver, release, surrender, alteration or compromise and the right to assert against Lender any defenses, set-offs, counterclaims, or claims that Guarantor may have at any time against Borrower or any other party liable to Lender.

8.7. **No Third Party Beneficiary.** Except as otherwise provided herein, Guarantor and Lender do not intend the benefits of this Guaranty to inure to any third party and no third party (including Borrower) shall have any status, right or entitlement under this Guaranty.

8.8. **Partial Invalidity.** The invalidity or unenforceability of any one or more provisions of this Guaranty shall not render any other provision invalid or unenforceable. In lieu of any invalid or unenforceable provision, there shall be added automatically a valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible.

8.9. **Binding Effect.** The covenants, conditions, waivers, releases and agreements contained in this Guaranty shall bind, and the benefits thereof shall inure to, the parties hereto and their respective heirs, executors, administrators, successors and assigns; provided, however, that this Guaranty cannot be assigned by Guarantor without the prior written consent of Lender, and any such assignment or attempted assignment by Guarantor shall be void and of no effect with respect to the Lender. All covenants, agreements, representations and warranties of Guarantor contained herein and in any document or item delivered pursuant hereto shall survive the execution hereof and continue and remain in full force and effect until all Liabilities and all other obligations due Lender have been paid, performed and satisfied in full.

8.10. **Modifications.** This Guaranty may not be supplemented, extended, modified or terminated except by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

8.11. **Sales or Participations.** Lender may from time to time sell or assign, in whole or in part, or grant participations in the Liabilities, the Note and/or the obligations evidenced thereby. The holder of any such sale or assignment, but not of any participation, if the applicable agreement between Lender and such holder so provides, shall be: (a) entitled to all of the rights, obligations and benefits of Lender; and (b) deemed to hold and may exercise the rights of setoff or banker's lien with respect to any and all obligations of such holder to Guarantor, in each case as fully as though Guarantor were directly indebted to such holder. Lender will give notice to Guarantor of such sale, assignment or participation; however, the failure to give such notice shall not affect any of Lender's or such holder's rights hereunder.

8.12. **Jurisdiction; Venue.** Guarantor hereby consents and agrees that any action or proceeding against him may be commenced and maintained in the Florida state courts situate in Hillsborough County, Florida, and Guarantor agrees that the courts shall have jurisdiction with respect to the subject matter hereof and the person of Guarantor and all collateral securing the obligations of Guarantor. Guarantor agrees not to assert any defense to any action or proceeding initiated by Lender based upon improper venue or inconvenient forum. Venue of any proceeding seeking enforcement of or otherwise related to this Guaranty shall lie exclusively in Hillsborough County, Florida.

8.13. **Notices.** All notices and communications under this Guaranty shall be in writing and shall be given by either (a) hand-delivery, (b) first class mail (postage prepaid), or (c) reliable overnight commercial courier (charges prepaid), to the addresses listed in this Guaranty. Notice shall be deemed to have been given and received: (i) if by hand delivery, upon delivery;
(ii) if by mail, three (3) calendar days after the date first deposited in the United States mail; and
(iii) if by overnight courier, on the date scheduled for delivery. A party may change its address by giving written notice to the other party as specified herein.

8.14. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the substantive laws of the State of Florida without reference to conflict of laws principles.

8.15. **Joint and Several Liability.** If Guarantor consists of more than one person or entity, the word "Guarantor" shall mean each of them and their liability shall be joint and several. The liability of Guarantor shall also be joint and several with the liability of any other guarantor under any other guaranty.

8.16. **Continuing Enforcement.** If, after receipt of any payment of all or any part of the Liabilities, Lender is compelled to surrender such payment to any person or entity for any reason (including, without limitation, a determination that such payment is void or voidable as a preference or fraudulent conveyance, an impermissible setoff, or a diversion of trust funds), then this Guaranty shall continue in full force and effect or be reinstated, as the case may be, and Guarantor shall be liable to the extent provided in Section 1 hereof. The provisions of this Section shall survive the termination of this Guaranty and shall remain effective notwithstanding the payment of the Liabilities, the cancellation of the Note, this Guaranty or any other Loan Document, the release of any security interest, lien or encumbrance securing the Liabilities or any other action which Lender may have taken in reliance upon its receipt of such payment. Any cancellation, release or other such action shall be deemed to have been conditioned upon any payment of the Liabilities having become final and irrevocable.

8.17. Waiver of Jury Trial. GUARANTOR AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER OR GUARANTOR ON OR WITH RESPECT TO THIS GUARANTY OR ANY OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. LENDER AND GUARANTOR EACH HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY, AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, GUARANTOR WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. GUARANTOR ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS GUARANTY AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS GUARANTY.

IN WITNESS WHEREOF, Guarantor, intending to be legally bound, has duly executed and delivered this Limited Guaranty Agreement as of the day and year first above written.

DAVID E. SOBELMAN, individually

Exhibit 10.10

LIMITED GUARANTY AGREEMENT

THIS LIMITED GUARANTY AGREEMENT effective December 20th , 2018 (together with any amendments or modifications hereto in effect from time to time, the "Guaranty"), made by **DAVID E. SOBELMAN,** an individual, having an address of 3117 West Oaklyn Avenue, Tampa, Florida 33609 ("Guarantor"), in favor of **AMERICAN MOMENTUM BANK,** its successors and assigns, having an address of 500 South Washington Boulevard, Sarasota, Florida 34236 ("Lender").

To induce Lender to make loans, extensions of credit or other financial accommodations to **GENERATION INCOME PROPERTIES, INC.,** a Maryland corporation ("Borrower"), now or in the future, and with full knowledge that Lender would not make the said loans, extensions of credit or financial accommodations without this Guaranty, which shall be construed as a contract of suretyship, Guarantor unconditionally agrees as follows:

1. LIABILITIES GUARANTEED.

Guarantor hereby guarantees and becomes surety to Lender for the full, prompt and unconditional payment of the Liabilities (as defined below), when and as the same shall become due, any and all loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including actual documented reasonable attorneys' fees) arising out of or in connection with or as a result of fraud or intentional misrepresentation of a material fact by Borrower or a single purpose entity ("SPEs") pledging or hypothecating a mortgage or deed of trust to Lender in order to secure the Liabilities (as herein defined) and in connection with said Liabilities, but not otherwise. This is a continuing guaranty of payment and not of collection as to the matters guaranteed herein. Lender may require Guarantor to pay and perform its liabilities and obligations under this Guaranty and may proceed immediately against Guarantor without being required to bring any proceeding or take any action against Borrower, any other guarantor or any other person, entity or property prior thereto, the liability of Guarantor hereunder being joint and several, and independent of and separate from the liability of Borrower, any other guarantor or person, and the availability of other collateral security for the Note and the other Loan Documents.

2. DEFINITIONS.

2.1. "Note" means that certain Promissory Note of even date herewith in the principal amount of Six Million One Hundred Thousand and No/100 Dollars ($6,100,000.00) from Borrower to Lender.

2.2. "Loan Documents" shall mean all documents and instruments entered into between Borrower and Lender so as to secure Borrower's liability to the Lender. The terms of the Loan Documents are hereby made a part of this Guaranty to the same extent and with the same effect as if fully set forth herein.

2.3. **"Liabilities"** means, collectively: (i) the repayment of up to fifty percent (50.0%) of the outstanding principal due under the Note (and all extensions, renewals, future advances, replacements and amendments thereof); and (ii) the performance by Borrower in all material respects of all terms, conditions and covenants of Borrower or any SPE set forth in the Loan Documents.

3. **REPRESENTATION AND WARRANTIES.** Guarantor represents and warrants to Lender as follows:

3.1. **Organization. Powers.** Guarantor (i) is an adult individual, U.S. Citizen, and a resident of the State of Florida; (ii) has the power and authority to own his properties and assets and to carry on his business as now being conducted and as now contemplated; and (iii) has the power and authority to execute, deliver and perform, and by all necessary action has authorized the execution, delivery and performance of, all of his obligations under this Guaranty.

3.2. **Execution of Guaranty.** This Guaranty has been duly executed and delivered by Guarantor. Execution, delivery and performance of this Guaranty will not: (i) violate any provision of law, order of any court, agency or instrumentality of government, or any provision of any indenture, agreement or other instrument to which Guarantor is a party or by which he or any of his properties is bound; (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature, other than the liens created by the Loan Documents; and (iii) to his knowledge, require any authorization, consent, approval, license, exemption of, or filing or registration with, any court or governmental authority applicable to him.

3.3. **Obligations of Guarantor.** This Guaranty is the legal, valid and binding obligation of Guarantor, enforceable against him in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws or equitable principles relating to or affecting the enforcement of creditors' rights generally. The loans or credit accommodations made by Lender to Borrower and the assumption by Guarantor of his obligations hereunder will result in material benefits to Guarantor. This Guaranty was entered into by Guarantor for commercial purposes.

3.4. **Litigation.** There is no action, suit, or proceeding at law or in equity or by or before any governmental authority, agency or other instrumentality now pending or, to the knowledge of Guarantor, threatened against or affecting Guarantor or any of his properties or rights which, if adversely determined, would materially impair or affect: (i) the value of any collateral securing the Liabilities; (ii) Guarantor's right to carry on his business substantially as now conducted (and as now contemplated); (iii) his financial condition; or (iv) his capacity to consummate and perform his obligations under this Guaranty.

3.5. **No Defaults.** Guarantor is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained herein (and no event has occurred and is continuing which with notice, or the passage of time, or either, would constitute a default), or, to the knowledge of Guarantor, in any other material agreement or instrument to which he is a party or by which he or any of his properties is bound.

3.6. **No Untrue Statements.** No Loan Document or other document, certificate or statement furnished to Lender by or on behalf of Guarantor contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading. Guarantor acknowledges that all such statements, representations and warranties shall be deemed to have been relied upon by Lender as an inducement to make the loan comprising the Liabilities to Borrower.

3.7. **Financial Statements.** All financial statements and other financial information heretofore furnished by Guarantor to Lender are true and correct in all material respects, and fairly present the financial condition of Guarantor as of the dates thereof, including all contingent liabilities of Guarantor, and the financial condition of Guarantor as stated in the financial statements provided to Lender has not changed materially and adversely since the dates of such documents.

4. EVENTS NOT AFFECTING GUARANTOR'S LIABILITY.

4.1. Without incurring responsibility to Guarantor, and without impairing or releasing the obligations of Guarantor to Lender hereunder, and without reducing the amount due under the terms of this Guaranty, Lender may at any time and from time to time, without the consent of or notice to Guarantor, upon any terms or conditions, and in whole or in part:

4.1.1. Change the manner, place or terms of payment of (including, without limitation, the interest rate and monthly payment amount), and/or change or extend the time for payment of, or renew or modify, any of the Liabilities or other obligation due Lender, any security therefor, or any of the Loan Documents evidencing same, and the Guaranty herein made shall apply to the Liabilities and the Loan Documents as so changed, extended, renewed or modified;

4.1.2. Sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order, any property securing the Liabilities or other obligation due Lender;

4.1.3. Exercise or refrain from exercising any rights against Borrower or other obligated parties (including Guarantor) or against any security for the Liabilities or other obligation due Lender;

4.1.4. Settle or compromise any Liabilities or other obligation due Lender, whether in a proceeding or not, and whether voluntarily or involuntarily, dispose of any security therefor (with or without consideration), and subordinate the payment of any of the Liabilities or other obligation due Lender, whether or not due, to the payment of liabilities owing to creditors of Borrower other than Lender and Guarantor;

4.1.5. Apply any sums it receives, by whomever paid or however realized, to any of the Liabilities or other obligation due Lender;

4.1.6. Add, release, settle, modify or discharge the obligation of any maker, endorser, guarantor, surety, obligor or any other party who is in any way obligated for any of the Liabilities or other obligation due Lender;

4.1.7. Accept any additional security for the Liabilities or other obligation due Lender; and/or

4.1.8. Take any other action which might constitute a defense available to, or a discharge of, Borrower or any other obligated party (including Guarantor) in respect of the Liabilities or other obligation due Lender.

4.2. The invalidity, irregularity or unenforceability of all or any part of the Liabilities or other obligation due Lender or any Loan Document, or the impairment or loss of any security therefor, whether caused by any action or inaction of Lender, or otherwise, shall not affect, impair or be a defense to Guarantor's obligations under this Guaranty.

5. LIMITATION ON SUBROGATION.

Until such time as the Liabilities and all other amounts and obligations due lender from Borrower are paid in full, Guarantor waives any present or future right to which Guarantor is or may become entitled to be subrogated to Lender's rights against Borrower or to seek contribution, reimbursement, indemnification, payment or the like, or participation in any claim, right or remedy of Lender against Borrower or any security which Lender now has or hereafter acquires, whether or not such claim, right or remedy arises under contract, in equity, by statute, under common law or otherwise. If, notwithstanding such waiver, any funds or property shall be paid or transferred to Guarantor on account of such subrogation, contribution, reimbursement, or indemnification at any time when all of the Liabilities and other amounts and obligations due Lender have not been paid in full, Guarantor shall hold such funds or property in trust for Lender and shall forthwith pay over to Lender such funds and/or property to be applied by Lender to the Liabilities but only to the extent of Guarantor's liability hereunder. Notwithstanding anything to the contrary herein, distributions to Guarantor shall be permitted so long as there is no Event of Default by Borrower under any loan facility by Lender to Borrower and such distribution is in the ordinary course of business.

6. EVENTS OF DEFAULT.

Each of the following shall constitute a default (each, an **"Event of Default")** hereunder:

6.1. A breach by Guarantor of any other term, covenant, condition, obligation or agreement under this Guaranty, and such breach, if curable, is not cured within thirty (30) days after written notice of default is given by Lender, unless the same is not capable of being cured within said thirty (30) day period, in which case Guarantor shall have such longer period of time not to exceed ninety (90) days in total (inclusive of such thirty (30) day period) in which to cure such default provided that he commences such cure within such initial thirty (30) day period and thereafter diligently prosecutes the same to completion;

6.2. Any representation or warranty made by Guarantor in this Guaranty shall prove to be false, incorrect or misleading in any material respect; provided, however, if, but only if, such breach or default is curable, an Event of Default shall not be deemed to have occurred hereunder unless such breach or default is not cured within thirty (30) days after written notice of such breach or default is given by Lender, unless the same is not capable of being cured within said thirty (30) day period, in which case Guarantor shall have such longer period of time not to exceed ninety (90) days in total (inclusive of such thirty (30) day period) in which to cure such default provided that he commences such cure within such initial thirty (30) day period and thereafter diligently prosecutes the same to completion;

6.3. Except as expressly permitted in the Loan Documents, any transfer, sale, conveyance, disposition or assignment the membership, partnership, stock or other ownership interest or management rights of Guarantor in Borrower, whether voluntary, involuntary, or by operation of law, without the express prior written consent of Lender; and/or

6.4. A breach, default or event of default by Borrower or Guarantor under any of the other Loan Documents, after giving effect to any applicable notice or cure provisions therein (if any).

7. **REMEDIES.**

7.1. Upon an Event of Default and so long as Lender has incurred a loss, damage, cost, expense, liability, claim or other obligation as a result of the fraud or intentional misrepresentation of a material fact by Borrower or an SPE pledging or hypothecating a mortgage or deed of trust to Lender in order to secure the Liabilities, all liabilities of Guarantor hereunder shall become immediately due and payable without demand or notice (except to the extent expressly provided herein) and, in addition to any other remedies provided by law, the Lender may take any or all of the following actions without requirement of demand for payment or performance on the part of Borrower or any other person and without requirement of any notice or resort to any collateral:

7.1.1. Declare all of Borrower's obligations under the Loan Documents, regardless of their terms, immediately due and payable and that performance thereof is immediately required;

7.1.2. Accelerate any and all obligations of Borrower and/or the Liabilities and require their immediate and full performance;

7.1.3. Enforce the Liabilities of Guarantor under this Guaranty, subject to the limitations contained in the definition of "Liabilities";

7.1.4. To the extent not prohibited by and in addition to any other remedy provided by law, setoff against any of the Liabilities any sum owed by Lender in any capacity to Guarantor whether due or not;

7.1.5. Perform any covenant or agreement of Guarantor in default hereunder (but without obligation to do so) and in that regard pay such money as may be required or as Lender may reasonably deem expedient. Any costs, expenses or fees, including reasonable attorneys' fees and costs, incurred by Lender in connection with the foregoing

shall be included in the Liabilities, with no limitation as to repayment amount, and shall be due and payable on demand, together with interest at the Default Rate (as defined and described in the Note) but only as to the Liabilities, such interest to be calculated from the date of such advance to the date of repayment thereof. Any such action by Lender shall not be deemed to be a waiver or release of Guarantor hereunder and shall be without prejudice to any other right or remedy of Lender;

7.1.6. Lender shall have all rights and remedies afforded to it under the Note and the other Loan Documents.

7.2. Settlement of any claim by Lender against Borrower, whether in any proceeding or not, and whether voluntary or involuntary, shall not reduce the amount due under the terms of this Guaranty, except to the extent of the amount actually paid by Borrower or any other obligated party and legally retained by Lender in connection with the settlement (unless otherwise provided for herein).

8. **MISCELLANEOUS.**

8.1. **Disclosure of Financial Information.** Lender is hereby authorized to disclose any financial or other information about Guarantor to any regulatory body or agency having jurisdiction over Lender if required by such regulatory body or agency as part of any audit or otherwise, or to any present, future or prospective participant or successor in interest in any loan or other financial accommodation made by Lender to Borrower or Guarantor. The information provided may include, without limitation, amounts, terms, balances, payment history, return item history and any financial or other information about Guarantor.

8.2. **Remedies Cumulative.** The rights and remedies of Lender, as provided herein and in any other Loan Document, shall be cumulative and concurrent, may be pursued separately, successively or together, may be exercised as often as occasion therefor shall arise, and shall be in addition to any other rights or remedies conferred upon Lender at law or in equity. The failure, at any one or more times, of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release thereof. Lender shall have the right to take any action it deems appropriate without the necessity of resorting to any collateral securing this Guaranty.

8.3. **Integration.** This Guaranty and the other Loan Documents constitute the sole agreement of the parties with respect to the transaction contemplated hereby and supersede all oral negotiations and prior writings with respect thereto.

8.4. **Attorneys' Fees and Expenses.** If Lender retains the services of counsel by reason of a claim of an Event of Default hereunder or under any of the other Loan Documents, or on account of any matter involving this Guaranty, or for .examination of matters subject to Lender's approval under the Loan Documents, all costs of suit and all reasonable actual and documented attorneys' fees and such other reasonable expenses so incurred by Lender shall forthwith, on demand, become due and payable and shall be secured hereby. Notwithstanding the above, in the event of litigation, Lender shall only be entitled to attorney's fees if it is the prevailing party.

8.5. **No Implied Waiver.** Lender shall not be deemed to have modified or waived any of its rights or remedies hereunder unless such modification or waiver is in writing and signed by Lender, and then only to the extent specifically set forth therein. A waiver in one event shall not be construed as continuing or as a waiver of or bar to such right or remedy on a subsequent event.

8.6. **Waiver.** Guarantor waives notice of acceptance of this Guaranty and notice of the Liabilities and, except to the extent otherwise expressly provided herein, waives notice of default, non-payment, partial payment, presentment, demand, protest, notice of protest or dishonor, and all other notices to which Guarantor might otherwise be entitled or which might be required by law to be given by Lender. Guarantor waives the right to marshalling of Borrower's assets or any stay of execution and the benefit of all exemption laws, to the extent permitted by law, and any other protection granted by law to guarantors, now or hereafter in effect with respect to any action or proceeding brought by Lender against it. Guarantor irrevocably waives all claims of waiver, release, surrender, alteration or compromise and the right to assert against Lender any defenses, set-offs, counterclaims, or claims that Guarantor may have at any time against Borrower or any other party liable to Lender.

8.7. **No Third Party Beneficiary.** Except as otherwise provided herein, Guarantor and Lender do not intend the benefits of this Guaranty to inure to any third party and no third party (including Borrower) shall have any status, right or entitlement under this Guaranty.

8.8. **Partial Invalidity.** The invalidity or unenforceability of any one or more provisions of this Guaranty shall not render any other provision invalid or unenforceable. In lieu of any invalid or unenforceable provision, there shall be added automatically a valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible.

8.9. **Binding Effect.** The covenants, conditions, waivers, releases and agreements contained in this Guaranty shall bind, and the benefits thereof shall inure to, the parties hereto and their respective heirs, executors, administrators, successors and assigns; provided, however, that this Guaranty cannot be assigned by Guarantor without the prior written consent of Lender, and any such assignment or attempted assignment by Guarantor shall be void and of no effect with respect to the Lender. All covenants, agreements, representations and warranties of Guarantor contained herein and in any document or item delivered pursuant hereto shall survive the execution hereof and continue and remain in full force and effect until all Liabilities and all other obligations due Lender have been paid, performed and satisfied in full.

8.10. **Modifications.** This Guaranty may not be supplemented, extended, modified or terminated except by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

8.11. **Sales or Participations.** Lender may from time to time sell or assign, in whole or in part, or grant participations in the Liabilities, the Note and/or the obligations evidenced thereby. The holder of any such sale or assignment, but not of any participation, if the applicable agreement between Lender and such holder so provides, shall be: (a) entitled to all of the rights, obligations and benefits of Lender; and (b) deemed to hold and may exercise the rights of setoff or banker's lien with respect to any and all obligations of such holder to Guarantor, in each case as fully as though Guarantor were directly indebted to such holder. Lender will give notice to Guarantor of such sale, assignment or participation; however, the failure to give such notice shall not affect any of Lender's or such holder's rights hereunder.

8.12. **Jurisdiction; Venue.** Guarantor hereby consents and agrees that any action or proceeding against him may be commenced and maintained in the Florida state courts situate in Hillsborough County, Florida, and Guarantor agrees that the courts shall have jurisdiction with respect to the subject matter hereof and the person of Guarantor and all collateral securing the obligations of Guarantor. Guarantor agrees not to assert any defense to any action or proceeding initiated by Lender based upon improper venue or inconvenient forum. Venue of any proceeding seeking enforcement of or otherwise related to this Guaranty shall lie exclusively in Hillsborough County, Florida.

8.13. **Notices.** All notices or other communications required or permitted to be given pursuant to the provisions of this Guaranty shall be given in accordance with the notice provisions of the Loan Agreement between Guarantor, Borrower and Lender, of even date herewith.

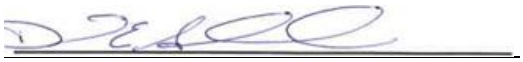
8.14. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the substantive laws of the State of Florida without reference to conflict of laws principles.

8.15. **Joint and Several Liability.** If Guarantor consists of more than one person or entity, the word "Guarantor" shall mean each of them and their liability shall be joint and several. The liability of Guarantor shall also be joint and several with the liability of any other guarantor under any other guaranty.

8.16. **Continuing Enforcement.** If, after receipt of any payment of all or any part of the Liabilities, Lender is compelled to surrender such payment to any person or entity for any reason (including, without limitation, a determination that such payment is void or voidable as a preference or fraudulent conveyance, an impermissible setoff, or a diversion of trust funds), then this Guaranty shall continue in full force and effect or be reinstated, as the case may be, and Guarantor shall be liable to the extent provided in Section 1 hereof. The provisions of this Section shall survive the termination of this Guaranty and shall remain effective notwithstanding the payment of the Liabilities, the cancellation of the Note, this Guaranty or any other Loan Document, the release of any security interest, lien or encumbrance securing the Liabilities or any other action which Lender may have taken in reliance upon its receipt of such payment. Any cancellation, release or other such action shall be deemed to have been conditioned upon any payment of the Liabilities having become final and irrevocable.

8.17. **Waiver of Jury Trial.** **GUARANTOR AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER OR GUARANTOR ON OR WITH RESPECT TO THIS GUARANTY OR ANY OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. LENDER AND GUARANTOR EACH HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY, AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, GUARANTOR WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. GUARANTOR ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS GUARANTY AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS GUARANTY.**

IN WITNESS WHEREOF, Guarantor, intending to be legally bound, has duly executed and delivered this Limited Guaranty Agreement as of the day and year first above written.



DAVID E. SOBELMAN, individually

LIMITED GUARANTY AGREEMENT

THIS LIMITED GUARANTY AGREEMENT effective September 11, 2019 (together with any amendments or modifications hereto in effect from time to time, the "Guaranty"), made by **DAVID E. SOBELMAN, an individual,** having an address of 3117 West Oaklyn Avenue, Tampa, Florida 33609 ("Guarantor"), in favor of **AMERICAN MOMENTUM BANK, its successors and assigns,** having an address of 500 South Washington Boulevard, Sarasota, Florida 34236 ("Lender").

To induce Lender to make loans, extensions of credit or other financial accommodations to **GENERATION INCOME PROPERTIES, INC.,** a Maryland corporation ("Borrower"), now or in the future, and with full knowledge that Lender would not make the said loans, extensions of credit or financial accommodations without this Guaranty, which shall be construed as a contract of suretyship, Guarantor unconditionally agrees as follows:

1. LIABILITIES GUARANTEED.

Guarantor hereby guarantees and becomes surety to Lender for the full, prompt and unconditional payment of the Liabilities (as defined below), when and as the same shall become due, any and all loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including actual documented reasonable attorneys' fees) arising out of or in connection with or as a result of fraud or intentional misrepresentation of a material fact by Borrower or a single purpose entity ("SPEs") pledging or hypothecating a mortgage or deed of trust to Lender in order to secure the Liabilities (as herein defined) and in connection with said Liabilities, but not otherwise. This is a continuing guaranty of payment and not of collection as to the matters guaranteed herein. Lender may require Guarantor to pay and perform its liabilities and obligations under this Guaranty and may proceed immediately against Guarantor without being required to bring any proceeding or take any action against Borrower, any other guarantor or any other person, entity or property prior thereto, the liability of Guarantor hereunder being joint and several, and independent of and separate from the liability of Borrower, any other guarantor or person, and the availability of other collateral security for the Note and the other Loan Documents.

2. DEFINITIONS.

2.1. "Note" means that certain Promissory Note of even date herewith in the principal amount of Three Million Four Hundred Seven Thousand Three Hundred Ninety-One and No/100 Dollars ($3,407,391.00) from Borrower to Lender.

2.2. **"Loan Documents"** shall mean all documents and instruments entered into between Borrower and Lender so as to secure Borrower's liability to the Lender. The terms of the Loan Documents are hereby made a part of this Guaranty to the same extent and with the same effect as if fully set forth herein.

2.3. **"Liabilities"** means, collectively: (i) the repayment of up to fifty percent (50.0%) of the outstanding principal due under the Note (and all extensions, renewals, future advances, replacements and amendments thereof); and (ii) the performance by Borrower in all material respects of all terms, conditions and covenants of Borrower or any SPE set forth in the Loan Documents.

3. **REPRESENTATION AND WARRANTIES.** Guarantor represents and warrants to Lender as follows:

3.1. **Organization, Powers.** Guarantor (i) is an adult individual, U.S. Citizen, and a resident of the State of Florida; (ii) has the power and authority to own his properties and assets and to carry on his business as now being conducted and as now contemplated; and (iii) has the power and authority to execute, deliver and perform, and by all necessary action has authorized the execution, delivery and performance of, all of his obligations under this Guaranty.

3.2. **Execution of Guaranty.** This Guaranty has been duly executed and delivered by Guarantor. Execution, delivery and performance of this Guaranty will not: (i) violate any provision of law, order of any court, agency or instrumentality of government, or any provision of any indenture, agreement or other instrument to which Guarantor is a party or by which he or any of his properties is bound; (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature, other than the liens created by the Loan Documents; and (iii) to his knowledge, require any authorization, consent, approval, license, exemption of, or filing or registration with, any court or governmental authority applicable to him.

3.3. **Obligations of Guarantor.** This Guaranty is the legal, valid and binding obligation of Guarantor, enforceable against him in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws or equitable principles relating to or affecting the enforcement of creditors' rights generally. The loans or credit accommodations made by Lender to Borrower and the assumption by Guarantor of his obligations hereunder will result in material benefits to Guarantor. This Guaranty was entered into by Guarantor for commercial purposes.

3.4. **Litigation.** There is no action, suit, or proceeding at law or in equity or by or before any governmental authority, agency or other instrumentality now pending or, to the knowledge of Guarantor, threatened against or affecting Guarantor or any of his properties or rights which, if adversely determined, would materially impair or affect: (i) the value of any collateral securing the Liabilities; (ii) Guarantor's right to carry on his business substantially as now conducted (and as now contemplated); (iii) his financial condition; or (iv) his capacity to consummate and perform his obligations under this Guaranty.

3.5. **No Defaults.** Guarantor is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained herein (and no event has occurred and is continuing which with notice, or the passage of time, or either, would constitute a default), or, to the knowledge of Guarantor, in any other material agreement or instrument to which he is a party or by which he or any of his properties is bound.

3.6. **No Untrue Statements.** No Loan Document or other document, certificate or statement furnished to Lender by or on behalf of Guarantor contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading. Guarantor acknowledges that all such statements, representations and warranties shall be deemed to have been relied upon by Lender as an inducement to make the loan comprising the Liabilities to Borrower.

3.7. **Financial Statements.** All financial statements and other financial information heretofore furnished by Guarantor to Lender are true and correct in all material respects, and fairly present the financial condition of Guarantor as of the dates thereof, including all contingent liabilities of Guarantor, and the financial condition of Guarantor as stated in the financial statements provided to Lender has not changed materially and adversely since the dates of such documents.

4. EVENTS NOT AFFECTING GUARANTOR'S LIABILITY.

4.1. Without incurring responsibility to Guarantor, and without impairing or releasing the obligations of Guarantor to Lender hereunder, and without reducing the amount due under the terms of this Guaranty, Lender may at any time and from time to time, without the consent of or notice to Guarantor, upon any terms or conditions, and in whole or in part:

4.1.1. Change the manner, place or terms of payment of (including, without limitation, the interest rate and monthly payment amount), and/or change or extend the time for payment of, or renew or modify, any of the Liabilities or other obligation due Lender, any security therefor, or any of the Loan Documents evidencing same, and the Guaranty herein made shall apply to the Liabilities and the Loan Documents as so changed, extended, renewed or modified;

4.1.2. Sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order, any property securing the Liabilities or other obligation due Lender;

4.1.3. Exercise or refrain from exercising any rights against Borrower or other obligated parties (including Guarantor) or against any security for the Liabilities or other obligation due Lender;

4.1.4. Settle or compromise any Liabilities or other obligation due Lender, whether in a proceeding or not, and whether voluntarily or involuntarily, dispose of any security therefor (with or without consideration), and subordinate the payment of any of the Liabilities or other obligation due Lender, whether or not due, to the payment of liabilities owing to creditors of Borrower other than Lender and Guarantor;

4.1.5. Apply any sums it receives, by whomever paid or however realized, to any of the Liabilities or other obligation due Lender;

4.1.6. Add, release, settle, modify or discharge the obligation of any maker, endorser, guarantor, surety, obligor or any other party who is in any way obligated for any of the Liabilities or other obligation due Lender;

4.1.7. Accept any additional security for the Liabilities or other obligation due Lender; and/or

4.1.8. Take any other action which might constitute a defense available to, or a discharge of, Borrower or any other obligated party (including Guarantor) in respect of the Liabilities or other obligation due Lender.

4.2. The invalidity, irregularity or unenforceability of all or any part of the Liabilities or other obligation due Lender or any Loan Document, or the impairment or loss of any security therefor, whether caused by any action or inaction of Lender, or otherwise, shall not affect, impair or be a defense to Guarantor's obligations under this Guaranty.

5. LIMITATION ON SUBROGATION.

Until such time as the Liabilities and all other amounts and obligations due lender from Borrower are paid in full, Guarantor waives any present or future right to which Guarantor is or may become entitled to be subrogated to Lender's rights against Borrower or to seek contribution, reimbursement, indemnification, payment or the like, or participation in any claim, right or remedy of Lender against Borrower or any security which Lender now has or hereafter acquires, whether or not such claim, right or remedy arises under contract, in equity, by statute, under common law or otherwise. If, notwithstanding such waiver, any funds or property shall be paid or transferred to Guarantor on account of such subrogation, contribution, reimbursement, or indemnification at any time when all of the Liabilities and other amounts and obligations due Lender have not been paid in full, Guarantor shall hold such funds or property in trust for Lender and shall forthwith pay over to Lender such funds and/or property to be applied by Lender to the Liabilities but only to the extent of Guarantor's liability hereunder. Notwithstanding anything to the contrary herein, distributions to Guarantor shall be permitted so long as there is no Event of Default by Borrower under any loan facility by Lender to Borrower and such distribution is in the ordinary course of business.

6. EVENTS OF DEFAULT.

Each of the following shall constitute a default (each, an **"Event of Default")** hereunder:

6.1. A breach by Guarantor of any other term, covenant, condition, obligation or agreement under this Guaranty, and such breach, if curable, is not cured within thirty (30) days after written notice of default is given by Lender, unless the same is not capable of being cured within said thirty (30) day period, in which case Guarantor shall have such longer period of time not to exceed ninety (90) days in total (inclusive of such thirty (30) day period) in which to cure such default provided that he commences such cure within such initial thirty (30) day period and thereafter diligently prosecutes the same to completion;

6.2. Any representation or warranty made by Guarantor in this Guaranty shall prove to be false, incorrect or misleading in any material respect; provided, however, if, but only if, such breach or default is curable, an Event of Default shall not be deemed to have occurred hereunder unless such breach or default is not cured within thirty (30) days after written notice of such breach or default is given by Lender, unless the same is not capable of being cured within said thirty (30) day period, in which case Guarantor shall have such longer period of time not to exceed ninety (90) days in total (inclusive of such thirty (30) day period) in which to cure such default provided that he commences such cure within such initial thirty (30) day period and thereafter diligently prosecutes the same to completion;

6.3. Except as expressly permitted in the Loan Documents, any transfer, sale, conveyance, disposition or assignment the membership, partnership, stock or other ownership interest or management rights of Guarantor in Borrower, whether voluntary, involuntary, or by operation of law, without the express prior written consent of Lender; and/or

6.4. A breach, default or event of default by Borrower or Guarantor under any of the other Loan Documents, after giving effect to any applicable notice or cure provisions therein (if any).

7. REMEDIES.

7.1. Upon an Event of Default and so long as Lender has incurred a loss, damage, cost, expense, liability, claim or other obligation as a result of the fraud or intentional misrepresentation of a material fact by Borrower or an SPE pledging or hypothecating a mortgage or deed of trust to Lender in order to secure the Liabilities, all liabilities of Guarantor hereunder shall become immediately due and payable without demand or notice (except to the extent expressly provided herein) and, in addition to any other remedies provided by law, the Lender may take any or all of the following actions without requirement of demand for payment or performance on the part of Borrower or any other person and without requirement of any notice or resort to any collateral:

7.1.1. Declare all of Borrower's obligations under the Loan Documents, regardless of their terms, immediately due and payable and that performance thereof is immediately required;

7.1.2. Accelerate any and all obligations of Borrower and/or the Liabilities and require their immediate and full performance;

7.1.3. Enforce the Liabilities of Guarantor under this Guaranty, subject to the limitations contained in the definition of "Liabilities";

7.1.4. To the extent not prohibited by and in addition to any other remedy provided by law, setoff against any of the Liabilities any sum owed by Lender in any capacity to Guarantor whether due or not;

7.1.5. Perform any covenant or agreement of Guarantor in default hereunder (but without obligation to do so) and in that regard pay such money as may be required or as Lender may reasonably deem expedient. Any costs, expenses or fees, including reasonable attorneys' fees and costs, incurred by Lender in connection with the foregoing

shall be included in the Liabilities, with no limitation as to repayment amount, and shall be due and payable on demand, together with interest at the Default Rate (as defined and described in the Note) but only as to the Liabilities, such interest to be calculated from the date of such advance to the date of repayment thereof. Any such action by Lender shall not be deemed to be a waiver or release of Guarantor hereunder and shall be without prejudice to any other right or remedy of Lender;

7.1.6. Lender shall have all rights and remedies afforded to it under the Note and the other Loan Documents.

7.2. Settlement of any claim by Lender against Borrower, whether in any proceeding or not, and whether voluntary or involuntary, shall not reduce the amount due under the terms of this Guaranty, except to the extent of the amount actually paid by Borrower or any other obligated party and legally retained by Lender in connection with the settlement (unless otherwise provided for herein).

8. MISCELLANEOUS.

8.1. Disclosure of Financial Information. Lender is hereby authorized to disclose any financial or other information about Guarantor to any regulatory body or agency having jurisdiction over Lender if required by such regulatory body or agency as part of any audit or otherwise, or to any present, future or prospective participant or successor in interest in any loan or other financial accommodation made by Lender to Borrower or Guarantor. The information provided may include, without limitation, amounts, terms, balances, payment history, return item history and any financial or other information about Guarantor.

8.2. **Remedies Cumulative.** The rights and remedies of Lender, as provided herein and in any other Loan Document, shall be cumulative and concurrent, may be pursued separately, successively or together, may be exercised as often as occasion therefor shall arise, and shall be in addition to any other rights or remedies conferred upon Lender at law or in equity. The failure, at any one or more times, of Lender to exercise any such right or remedy shall in no event be construed as a waiver or release thereof. Lender shall have the right to take any action it deems appropriate without the necessity of resorting to any collateral securing this Guaranty.

8.3. **Integration.** This Guaranty and the other Loan Documents constitute the sole agreement of the parties with respect to the transaction contemplated hereby and supersede all oral negotiations and prior writings with respect thereto.

8.4. **Attorneys' Fees and Expenses.** If Lender retains the services of counsel by reason of a claim of an Event of Default hereunder or under any of the other Loan Documents, or on account of any matter involving this Guaranty, or for examination of matters subject to Lender's approval under the Loan Documents, all costs of suit and all reasonable actual and documented attorneys' fees and such other reasonable expenses so incurred by Lender shall forthwith, on demand, become due and payable and shall be secured hereby. Notwithstanding the above, in the event of litigation, Lender shall only be entitled to attorney's fees if it is the prevailing party.

8.5. **No Implied Waiver.** Lender shall not be deemed to have modified or waived any of its rights or remedies hereunder unless such modification or waiver is in writing and signed by Lender, and then only to the extent specifically set forth therein. A waiver in one event shall not be construed as continuing or as a waiver of or bar to such right or remedy on a subsequent event.

8.6. **Waiver.** Guarantor waives notice of acceptance of this Guaranty and notice of the Liabilities and, except to the extent otherwise expressly provided herein, waives notice of default, non-payment, partial payment, presentment, demand, protest, notice of protest or dishonor, and all other notices to which Guarantor might otherwise be entitled or which might be required by law to be given by Lender. Guarantor waives the right to marshalling of Borrower's assets or any stay of execution and the benefit of all exemption laws, to the extent permitted by law, and any other protection granted by law to guarantors, now or hereafter in effect with respect to any action or proceeding brought by Lender against it. Guarantor irrevocably waives all claims of waiver, release, surrender, alteration or compromise and the right to assert against Lender any defenses, set-offs, counterclaims, or claims that Guarantor may have at any time against Borrower or any other party liable to Lender.

8.7. **No Third Party Beneficiary.** Except as otherwise provided herein, Guarantor and Lender do not intend the benefits of this Guaranty to inure to any third party and no third party (including Borrower) shall have any status, right or entitlement under this Guaranty.

8.8. **Partial Invalidity.** The invalidity or unenforceability of any one or more provisions of this Guaranty shall not render any other provision invalid or unenforceable. In lieu of any invalid or unenforceable provision, there shall be added automatically a valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible.

8.9. **Binding Effect.** The covenants, conditions, waivers, releases and agreements contained in this Guaranty shall bind, and the benefits thereof shall inure to, the parties hereto and their respective heirs, executors, administrators, successors and assigns; provided, however, that this Guaranty cannot be assigned by Guarantor without the prior written consent of Lender, and any such assignment or attempted assignment by Guarantor shall be void and of no effect with respect to the Lender. All covenants, agreements, representations and warranties of Guarantor contained herein and in any document or item delivered pursuant hereto shall survive the execution hereof and continue and remain in full force and effect until all Liabilities and all other obligations due Lender have been paid, performed and satisfied in full.

8.10. **Modifications.** This Guaranty may not be supplemented, extended, modified or terminated except by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

8.11. **Sales or Participations.** Lender may from time to time sell or assign, in whole or in part, or grant participations in the Liabilities, the Note and/or the obligations evidenced thereby. The holder of any such sale or assignment, but not of any participation, if the applicable agreement between Lender and such holder so provides, shall be: (a) entitled to all of the rights, obligations and benefits of Lender; and (b) deemed to hold and may exercise the rights of setoff or banker's lien with respect to any and all obligations of such holder to Guarantor, in each case as fully as though Guarantor were directly indebted to such holder. Lender will give notice to Guarantor of such sale, assignment or participation; however, the failure to give such notice shall not affect any of Lender's or such holder's rights hereunder.

8.12. **Jurisdiction; Venue.** Guarantor hereby consents and agrees that any action or proceeding against him may be commenced and maintained in the Florida state courts situate in Hillsborough County, Florida, and Guarantor agrees that the courts shall have jurisdiction with respect to the subject matter hereof and the person of Guarantor and all collateral securing the obligations of Guarantor. Guarantor agrees not to assert any defense to any action or proceeding initiated by Lender based upon improper venue or inconvenient forum. Venue of any proceeding seeking enforcement of or otherwise related to this Guaranty shall lie exclusively in Hillsborough County, Florida.

8.13. **Notices.** All notices and communications under this Guaranty shall be in writing and shall be given by either (a) hand-delivery, (b) first class mail (postage prepaid), or (c) reliable overnight commercial courier (charges prepaid), to the addresses listed in this Guaranty. Notice shall be deemed to have been given and received: (i) if by hand delivery, upon delivery; (ii) if by mail, three (3) calendar days after the date first deposited in the United States mail; and (iii) if by overnight courier, on the date scheduled for delivery. A party may change its address by giving written notice to the other party as specified herein.

8.14. **Governing Law.** This Guaranty shall be governed by and construed in accordance with the substantive laws of the State of Florida without reference to conflict of laws principles.

8.15. **Joint and Several Liability.** If Guarantor consists of more than one person or entity, the word "Guarantor" shall mean each of them and their liability shall be joint and several. The liability of Guarantor shall also be joint and several with the liability of any other guarantor under any other guaranty.

8.16. **Continuing Enforcement.** If, after receipt of any payment of all or any part of the Liabilities, Lender is compelled to surrender such payment to any person or entity for any reason (including, without limitation, a determination that such payment is void or voidable as a preference or fraudulent conveyance, an impermissible setoff, or a diversion of trust funds), then this Guaranty shall continue in full force and effect or be reinstated, as the case may be, and Guarantor shall be liable to the extent provided in Section 1 hereof. The provisions of this Section shall survive the termination of this Guaranty and shall remain effective notwithstanding the payment of the Liabilities, the cancellation of the Note, this Guaranty or any other Loan Document, the release of any security interest, lien or encumbrance securing the Liabilities or any other action which Lender may have taken in reliance upon its receipt of such payment. Any cancellation, release or other such action shall be deemed to have been conditioned upon any payment of the Liabilities having become final and irrevocable.

8.17. **Waiver of Jury Trial.** **GUARANTOR AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER OR GUARANTOR ON OR WITH RESPECT TO THIS GUARANTY OR ANY OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. LENDER AND GUARANTOR EACH HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY, AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, GUARANTOR WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. GUARANTOR ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS GUARANTY AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS GUARANTY.**

IN WITNESS WHEREOF, Guarantor, intending to be legally bound, has duly executed and delivered this Limited Guaranty Agreement as of the day and year first above written.

DAVID E. SOBELMAN, individually

Exhibit 10.12

GUARANTY OF NONRECOURSE CARVEOUT LIABILITIES AND OBLIGATIONS

THIS GUARANTY OF NONRECOURSE CARVEOUT LIABILITIES AND OBLIGATIONS (this **"Guaranty"),** dated as of September 30, 2019, is made by GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership, GENERATION INCOME PROPERTIES, INC., a Maryland corporation, and DAVID SOBELMAN, each having a business address of 401 East Jackson Street, Suite 3300, Tampa, Florida 33602 (hereinafter referred to, together with their successors and assigns, including the estate of any individual guarantor who becomes deceased, as **"Guarantor"),** for the benefit of NEWPORT NEWS SHIPBUILDING EMPLOYEES' CREDIT UNION, INC. DBA BAYPORT CREDIT UNION, a Virginia Corporation, having an office at One BayPort Way, Suite 350, Newport News, VA 23606 (together with its successors and assigns, **"Lender").**

Recitals

A. Lender has or will extend credit to GIPVA 2510 Walmer Ave, LLC , a Delaware limited liability company (together with its successors and assigns, the **"Borrower"),** in the principal amount of $8,260,000.00 (the **"Loan")** pursuant to that certain Commercial Loan Agreement dated as of the date hereof by and between Borrower and Lender ("the **"Loan Agreement"),** which Loan is evidenced by that certain Promissory Note, dated as of the date hereof, executed by Borrower payable to the order of the Lender (the **"Note")** and secured by that certain Deed of Trust (the **"Deed of Trust"),** dated as of the date hereof, executed by Borrower to James B. Mears and Stanley P. Leicester, II, as Trustees for the benefit of the Lender and to be recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia.

B. Lender is unwilling to make the Loan to the Borrower unless Guarantor absolutely and unconditionally guarantees to Lender the prompt and unconditional payment of the Guaranteed Obligations, and Guarantor is entering into this Guaranty to induce Lender to make the Loan.

C. Guarantor is a direct or indirect owner of Borrower and acknowledges that Guarantor will derive substantial benefits from Lender.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby represents, warrants, covenants and agrees for the benefit of Lender as follows:

1. Defined Terms. For purposes of this Agreement, the following terms shall have the following meanings. Capitalized terms used in this Guaranty without definition shall have the meanings ascribed to such terms in the Loan Agreement or if not defined therein, in the Mortgage.

"Bankruptcy Code" means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"Borrower" has the meaning set forth in Recital A of this Guaranty.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in Norfolk, Virginia, are authorized or required by law to close.

"Debtor Relief Law(s)" means the Bankruptcy Code and all other liquidation, bankruptcy, assignment for the benefit of creditors, conservatorship, moratorium, receivership, insolvency, rearrangement, reorganization or similar debtor relief laws of the United States or any state or other applicable jurisdictions in effect from time to time.

"Default Rate" has the meaning set forth in the Note.

"Guaranteed Obligations" collectively means:

(a) All or any portion of the Secured Debts (as hereinafter defined) as to which Borrower has, at any time or from time to time, full and/or partial recourse or personal liability pursuant to Section 33 of the Mortgage captioned "NONRECOURSE" (collectively, the **"Nonrecourse Carveout Liabilities and Obligations").**

(b) Interest at the Default Rate which accrues on the Nonrecourse Carveout Liabilities and Obligations from the date of written demand for payment under this Guaranty from Lender to Guarantor until the Nonrecourse Carveout Liabilities and Obligations are paid in full; and

(c) All costs, expenses and fees, including, but not limited to, court costs and reasonable attorneys' fees, actually incurred by Lender in connection with the collection or enforcement of any or all amounts and indebtedness described in this Guaranty.

"Guarantor" has the meaning set forth in the Preamble of this Guaranty.

"Guarantor Claims" means all debts and liabilities of Borrower or any other Loan Party to Guarantor, whether such debts and liabilities now exist or are hereafter incurred or arise, or whether the obligations of Borrower or any other Loan Party thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of the person or persons in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by Guarantor. Guarantor Claims shall include, without limitation. all rights and claims of Guarantor against Borrower or any other Loan Party (arising as a result of subrogation or otherwise) as a result of Guarantor's payment of all or a portion of the Guaranteed Obligations to the extent the provisions of Section 4 hereof are unenforceable.

"Guaranty" has **the** meaning set forth in the Preamble of this Guaranty.

"Lender" has the meaning set forth in the Preamble of this Guaranty.

"Loan" has the meaning set forth in Recital A of this Guaranty.

"Loan Agreement" has the meaning set forth in Recital A of this Guaranty. as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"Loan Documents" has the meaning set forth in the Loan Agreement.

"Loan Party" means Borrower, Guarantor and any other Person that executed any other guaranty or indemnity related to the Loan and every other Person that is a party to any Loan Document.

"Mortgage" means the Deed of Trust as defined in Recital A of this Guaranty, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"Nonrecourse Carveout Liabilities and Obligations" has the meaning set forth in the definition of Guaranteed Obligations in this Guaranty.

"Note" has the meaning set forth in Recital A of this Guaranty, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"Person" means any natural person, corporation, limited liability company, joint venture, association, partnership. trust, trustee, governmental authority or other entity.

"Real Property" means the "Property" as described and defined in the Mortgage.

"Secured Debts" has the meaning set forth in the Mortgage.

"SPE Covenants" has the meaning set forth in the Mortgage.

"Tangible Net Worth" means, with respect to the applicable Guarantor. all assets of such Guarantor less intangible assets (such as goodwill, franchises, licenses and trademarks) minus total liabilities of such Guarantor.

2. Guaranty.

(a) Guarantor hereby irrevocably, absolutely and unconditionally guarantees to Lender the full and prompt payment and performance of the Guaranteed Obligations, as and when the same shall be due and payable and as and when the same shall be required to be performed under the Loan Documents, whether at stated maturity, required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code). Guarantor hereby irrevocably, absolutely and unconditionally covenants and agrees that it is liable for the Guaranteed Obligations as a primary obligor. This Guaranty is a continuing guarantee of: (i) payment; and (ii) performance of any non-monetary Guaranteed Obligations, and is not a guaranty of collection.

(b) Upon the occurrence, from time to time, of any default by Borrower in the payment or performance of the Guaranteed Obligations, or any part thereof, when such Guaranteed Obligations are due to be paid or performed by Borrower and after the expiration of any applicable grace and notice period under the Loan Documents, Guarantor shall promptly pay or perform the Guaranteed Obligations then due in full, without notice or demand by Lender. In such case it shall **not be** necessary for Lender, in order to enforce such payment by Guarantor, to first: (i) institute suit or exhaust its remedies against Borrower or any other Person; (ii) enforce any rights against any collateral for the Secured Debts; or (iii) demonstrate that Lender has currently suffered any loss or liability or that the collateral for the Secured Debts provides inadequate security for the Secured Debts.

(c) Without limiting any other provision of this Guaranty, Guarantor acknowledges and agrees that, to the extent Lender realizes any proceeds under any Loan Documents which secure the Secured Debts including, without limitation, any voluntary payments or prepayments by Borrower or any other Loan Party on account of the Loan, insurance or condemnation proceeds, or proceeds from the sale at foreclosure of any collateral for the Secured Debts. then such proceeds shall, to the extent not prohibited by applicable law, not be applied to or credited against the Guaranteed Obligations and may be applied by Lender to that portion of the Secured Debts that are not Guaranteed Obligations in such order and priority as Lender shall determine in its sole discretion.

(d) If this Guaranty is executed by more than one party constituting Guarantor, it is specifically agreed that Lender may enforce the provisions hereof with respect to one or more of such parties constituting a Guarantor without seeking to enforce the same as to all or any such parties. Each of the parties constituting Guarantor hereunder hereby waives any requirement of joinder of all or any other of the parties constituting Guarantor in any suit or proceeding to enforce the provisions of this Guaranty. The liability hereunder of all parties constituting Guarantor shall be joint and several.

3. Guarantor's Obligations Absolute and Unconditional; Waivers of Defenses.

(a) Guarantor hereby guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents to which Borrower is a party, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of Lender with respect thereto. The obligations of Guarantor shall be independent of the obligations of any other guarantor or Loan Party under any other guaranty or Loan Document. A separate action may be brought against Guarantor to enforce this Guaranty, whether or not any action is brought against Borrower or any other Loan Party or whether or not Borrower or any other Loan Party is joined in any such action. The obligations of Guarantor under this Guaranty shall be irrevocable, absolute and unconditional in all respects, and this Guaranty and Guarantor's obligations hereunder shall at all times be valid and enforceable irrespective of, and shall not be terminated, discharged, affected or impaired, and Guarantor hereby irrevocably waives any defenses to enforcement it may have (now or in the future) by reason of:

(i) any illegality or lack of validity or enforceability of any Guaranteed Obligation, Secured Debts or any Loan Document or any related agreement or instrument;

(ii) any change in the time, place or manner of payment of. or in any other term of, the Guaranteed Obligations, the Secured Debts or any other obligation of any Loan Party under any Loan Document, or any rescission, waiver, extension, amendment or other modification of any Loan Document or any other agreement, including any increase in the Guaranteed Obligations or Secured Debts resulting from any extension of additional credit or otherwise;

(iii) any taking, exchange, substitution, release, impairment ornon-perfection of any collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for the Guaranteed Obligations;

(iv) any manner of sale. disposition or application of proceeds of any collateral or other assets to all or part of the Guaranteed Obligations or the Secured Debts, and/or any failure of Lender to marshall assets of Borrower or any other Loan Party;

(v) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations or Secured Debts:

(vi) any negligence by Lender in the administration or enforcement of the Guaranteed Obligations or the Secured Debts, or any delay in enforcing the Guaranteed Obligations or the Secured Debts, or in realizing on any collateral for the Guaranteed Obligations or the Secured Debts, or in otherwise enforcing its rights and remedies under this Guaranty or any other Loan Document;

(vii) the death, incompetence, disability, insolvency or bankruptcy of any Guarantor, and/or the failure of Lender to enforce any claims against the estate of Guarantor in any probate, bankruptcy or other proceeding against any Person;

(viii) any change, restructuring or termination of the corporate structure, ownership or existence of any Loan Party or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Borrower or its assets or any resulting release or discharge of any Guaranteed Obligations;

(ix) any failure of Lender to disclose to Guarantor or any other Loan Party any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party, or to the collateral for the Loan, now or hereafter known to Lender;

(x) the failure of any other Person to execute or deliver this Guaranty or the release or reduction of liability of any other guarantor or surety with respect to the Guaranteed Obligations;

(xi) any sale, transfer, grant, conveyance or assignment of Borrower's interest in the Real Property or other collateral for the Loan or any part thereof, or any transfer or assignment of interests in the ownership of Borrower and 'or the reconstitution of Borrower, regardless of whether any of the foregoing is permitted under the Loan Documents;

(xii) the failure of Lender to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of any Loan Document or otherwise;

(xiii) any payment made on the Secured Debts or the Guaranteed Obligations, whether made by Borrower or Guarantor or any other person, which is required to be refunded pursuant to any bankruptcy or insolvency law; it being understood that no payment so refunded shall be considered as a payment of any portion of the Secured Debts. nor shall it have the effect of reducing the liability of Guarantor hereunder;

(xiv) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to. or be asserted by, the Borrower against Lender; and/or

(xv) any other circumstance of any nature whatsoever that might otherwise constitute a defense (legal, equitable or otherwise) available to, or a discharge of, this Guaranty, the Guaranteed Obligations, the obligations of Guarantor hereunder or the obligations of any other person or party relating to this Guaranty or otherwise with respect to the Loan.

Guarantor acknowledges and agrees that any nonrecourse or exculpatory language contained in any of the Loan Documents shall in no event apply to this Guaranty, and shall not prevent Lender from proceeding against Guarantor to enforce this Guaranty.

(b) This Guaranty:

(i) is a continuing guaranty and shall remain in full force and effect until the satisfaction in full of all of the Guaranteed Obligations, the Secured Debts and the payment in full of all amounts, if any, that may become due and payable under this Guaranty;

(ii) notwithstanding Section 3.1(b)(i) above, shall continue to be effective and/or shall be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by Lender to Borrower or Guarantor or to any guarantor, trustee, receiver or other representative of any of them, upon the insolvency, bankruptcy or reorganization of Borrower or otherwise, all as though such payment had not been made; and

(iii) shall continue to be effective with respect to any Guaranteed Obligations arising or created after any attempted revocation by Guarantor and after (if Guarantor is a natural person) Guarantor's death (in which event this Guaranty shall be binding upon Guarantor's estate and Guarantor's legal representatives and heirs).

4. Subrogation; Waiver of Creditor's Rights.

(a) Notwithstanding any payment or payments made by Guarantor hereunder, Guarantor will not assert or exercise any right of Lender or of Guarantor against Borrower or any other Loan Party to recover the amount of any payment made by Guarantor to Lender by way of subrogation, reimbursement, contribution, exoneration, indemnity, or otherwise arising by contract, operation of law or under common law, and Guarantor shall not have and hereby expressly waives any right of recourse to or any claim against Borrower or any Loan Party or any assets or property of Borrower or any Loan **Party until three hundred** sixty-six (366) days after the Guaranteed Obligations have been satisfied in full. If any amount shall nevertheless be paid to Guarantor by Borrower or any other Loan Party prior to three hundred sixty-six (366) days after payment in full of the Guaranteed Obligations, such amount shall be held in trust for the benefit of Lender and shall forthwith be paid to Lender to be credited and applied to the Guaranteed Obligations, whether matured or unmatured.

(b) It is the intention **of the parties that Guarantor shall not be deemed to be a "creditor" or**"creditors" (as defined in Section 101 of the Bankruptcy Code) of Borrower, or any other Loan Party by reason of the existence of this Guaranty. If Borrower or any Loan Party becomes a debtor in any proceeding under the Bankruptcy Code or any other Debtor Relief Law, then in connection therewith Guarantor hereby waives any such right as a "creditor" under the Bankruptcy Code. The waivers given in this Section are given to induce Lender agree to the Requested Actions.

5. Subordination of All Guarantor Claims.

(a) Guarantor agrees that the Guarantor Claims shall at all times be fully subordinate as to lien (if any), time and right of payment and in all other respects to the Guaranteed Obligations and to all Secured Debts, and that Guarantor shall not be entitled to enforce or receive payment therefor until the entire Guaranteed Obligations and Secured Debts shall be indefeasibly paid in full to Lender.

(b) In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings under any Debtor Relief Law involving Guarantor or any other Loan Party as debtor. Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon Guarantor Claims. Guarantor hereby assigns such dividends and payments to Lender. Should Lender receive, for application upon the Guaranteed Obligations, any such dividend or payment which is otherwise payable to Guarantor, and which, as between Borrower or any other Loan Party and Guarantor, shall constitute a credit upon Guarantor Claims, then upon indefeasible payment to Lender in full of the Guaranteed Obligations, Guarantor shall become subrogated to the rights of Lender to the extent that such payments to Lender on Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if Lender had not received dividends or payments upon Guarantor Claims.

(c) If, notwithstanding anything to the contrary in this Guaranty, Guarantor receives any funds, payment. claim or distribution which is prohibited by this Guaranty, Guarantor agrees to hold in trust for Lender an amount equal to the amount of all funds, payments, claims or distributions so received, and agrees that it shall have absolutely no dominion over or ownership of the amount of such funds. payments, claims or distributions so received except to pay them promptly to Lender, and Guarantor covenants to pay the same to Lender within three (3) days after Guarantor's receipt thereof. Notwithstanding the foregoing provisions of this Section 5, prior to the occurrence of an Event of Default, Guarantor shall be entitled to receive from Borrower any and all distributions payable under Borrower's Operating Agreement on account of cash flow from the Real Property to the extent such distributions are permitted under the Loan Documents.

(d) Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's or any other Loan Party's assets securing payment of any Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's or any other Loan Party's assets in favor of Lender, regardless of whether such encumbrances in favor of Guarantor or Lender presently exist or are hereafter created or attached. Without the prior written consent of Lender, Guarantor shall not:

(i) exercise or enforce any creditor's right it may have against Borrower or any other Loan Party; or

(ii) foreclose, repossess, sequester or otherwise take steps or institute any action or proceedings (judicial or otherwise, including without limitation the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any liens, mortgages, deeds of trust, security interests, collateral rights, judgments or other encumbrances on assets of Borrower or any other Loan Party.

6. Additional Waivers and Acknowledgments.

(a) Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all presently existing and future Guaranteed Obligations.

(b) Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Guaranty (other than notices expressly required herein) and any requirement that Lender protect, secure, perfect or insure any lien, security interest or any property subject thereto.

(c) Guarantor agrees that Lender need not attempt to collect any Guaranteed Obligations from Borrower or any other Loan Party or to realize upon any collateral, but may require Guarantor to make immediate payment of all of the Guaranteed Obligations to Lender when due, whether by maturity. acceleration or otherwise, or at any time thereafter. Guarantor waives any defense based upon failure of Lender to commence an action against Borrower or any other Loan Party whether or not after notice and whether or not within the time prescribed by applicable law concerning limitations of actions commonly referred to as the "statute of limitations."

(d) Guarantor acknowledges that Lender may, at its election and without notice to or demand upon Guarantor, foreclose on any collateral (including any real property) or other collateral held by it by one or more judicial or non-judicial sales, accept an assignment of any such collateral in lieu of foreclosure, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with Borrower or any Loan Party or exercise any other right or remedy available to it against Borrower or any other Loan Party, without affecting or impairing in any way the liability of Guarantor hereunder except to the extent the Guaranteed Obligations (other than contingent or unliquidated obligations or liabilities) have been indefeasibly paid in full. Guarantor hereby waives any defense arising out of such election by Lender even though such election operates, pursuant to applicable law, to impair or to extinguish any right of subrogation, reimbursement, exoneration, contribution or indemnification or other right or remedy of Guarantor against Borrower or any other Loan Party or any col lateral. Guarantor further acknowledges and agrees that if Lender forecloses on any collateral for the Loan, then: (i) the amount of the Secured Debts may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price; (ii) Lender may collect from Guarantor even if Lender, by foreclosing on the real property collateral, has destroyed any right Guarantor may have to collect from Borrower; and (iii) Lender shall not be restricted or prohibited from recovering a deficiency judgment after any foreclosure sale and shall not be restricted from pursuing a deficiency judgment against Borrower or any Loan Party prior to any foreclosure sale

(e) No failure on the part of Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided to Lender are cumulative and not exclusive of any remedies provided by law or available in equity.

(f) Guarantor waives any right that Guarantor may have to review any amendment, modification, extension, allonge, or endorsement of the Note or any Loan Document or any replacement of the Note or any Loan Document.

(g) Guarantor agrees to the provisions of the Loan Documents, and waives any right that Guarantor has to receive notice of: (i) any loans or advances made by Lender to Borrower or any Loan Party; (ii) acceptance of this Guaranty; (iii) any amendment, modification, replacement or extension of the Note or of any other Loan Documents; (iv) the execution and delivery by Borrower or any other Loan Party and Lender of any other loan or credit agreement or of Borrower's or any Loan Party's execution and delivery of any promissory notes or other documents arising under the Loan Documents or in connection with any collateral (or any security) for the Guaranteed Obligations; (v) the occurrence of any breach by Borrower or any Loan Party or any Event of Default under the Note or any of the Loan Documents, (vi) Lender's transfer, disposition or hypothecation of the Guaranteed Obligations, or any part thereof; (vii) any suit by Lender against Borrower or any Loan Party to foreclose any lien securing the Guaranteed Obligations; (viii) any sale or foreclosure (or posting or advertising for sale or foreclosure) of any collateral for the Guaranteed Obligations; (ix) protest, proof of nonpayment or default by Borrower or any Loan Party; or (x) any other action at any time taken or omitted by Lender, and, generally, all demands and notices of every kind in connection with this Guaranty, the Loan Documents and any documents or agreements evidencing, securing or relating to any of the Guaranteed Obligations.

(h) Guarantor waives any rights of Guarantor pursuant to Sections 49-25 and 49-26 of the Code of Virginia of 1950, as amended, and any similar or subsequent law as well as all other rights and defenses Guarantor may have.

(i) TO THE EXTENT PERMITTED BY LAW GUARANTOR HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS GUARANTY, THE SECURITY INSTRUMENT, OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY GUARANTOR, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. LENDER IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY GUARANTOR.

7. Representations and Warranties of Guarantor. To induce Lender to agree to the Requested Actions and to enter into the Assumption Agreement, Guarantor represents and warrants to Lender as follows:

(a) Guarantor is the owner of a direct interest in Borrower, and has received, or will receive, direct or indirect financial and other advantage and benefit, directly or indirectly, from the Loan and from each and every renewal, extension, amendment, increase, replacement, release of collateral or other relinquishment of legal rights made or granted or to be made or granted by Lender to Borrower and the giving of this Guaranty. The value of the consideration and benefits received and to be received by Guarantor as a result of Lender making the Loan to Borrower is reasonably worth at least as much as the liability and obligation of Guarantor hereunder.

(b) The execution, delivery and performance by Guarantor of this Guaranty and the consummation of the transactions contemplated hereunder do not, and will not, contravene or conflict with any law, statute or regulation whatsoever to which Guarantor is subject or constitute a default (or an event which with notice or lapse of time or both would constitute a default) under, or result in the breach of, any court order, indenture, mortgage, deed to secure debt, deed of trust, trust deed, charge, lien, or any contract. agreement or other instrument to which Guarantor is a party or which may be binding on or applicable to Guarantor. This Guaranty is a legal, valid and binding obligation of Guarantor and is enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors' rights.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or any person or entity (a **"Person")** (other than those that have been duly obtained or made and which are in full force and effect) is required for the consummation of this Guaranty or the due execution, delivery or performance by Guarantor of this Guaranty.

(d) There has been no material adverse change in the net worth, assets, financial condition, or prospective financial position of Guarantor since the date of the financial statements of Guarantor most recently delivered to Lender. No litigation, investigation, or proceeding of or before any arbitrator, court or governmental authority is pending or, to the knowledge of Guarantor, threatened by or against Guarantor or against any of Guarantor's assets: (i) with respect to this Guaranty or any of the transactions contemplated by any of the Loan Documents: or (ii) which could have a material adverse effect on the net worth, assets, financial condition, or prospective financial position of Guarantor.

(e) None of the factual information heretofore or contemporaneously furnished in writing to Lender by or on behalf of Guarantor in connection with this Guaranty or any other Loan Document contains any untrue statement of a material fact, or omits to state any material fact necessary to make any information not misleading. and no other factual information hereafter furnished in connection with this Guaranty or any Loan Document by or on behalf of Guarantor to Lender will contain any untrue statement of a material fact or will omit to state any material fact necessary to make any information not misleading on the date as of which such information is dated or certified.

(f) There are no conditions precedent to the effectiveness of this Guaranty that have not been satisfied or waived.

(g) Guarantor has, independently and without reliance upon Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Guaranty and any other Loan Document to which Guarantor is or may become a party, and is now and at all times will be completely familiar with, the business, condition (financial or otherwise), operations, performance, properties and prospects of Borrower and each other Loan Party.

(h) Neither Lender nor any other party has made any representation, warranty or statement to Guarantor in order to induce Guarantor to execute this Guaranty.

(i) As of the date hereof. and after giving effect to this Guaranty and the contingent obligation evidenced hereby, Guarantor is, and \\ i[l be, solvent, and has and will have assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities) and debts, and has and will have property and assets sufficient to satisfy and repay its obligations and liabilities.

(j) The Guaranteed Obligations are for investment, business, or commercial purposes and not for personal, family, household, or agricultural purposes.

(k) Guarantor has reviewed and approved all of the Loan Documents, including the Note and the Assumption Agreement prepared in connection therewith, and has had an opportunity to discuss the Loan Documents with its legal counsel.

(1) Guarantor has filed all required federal, state and local tax returns and has paid all taxes as shown on such returns as they have become due. No claims have been assessed and are unpaid with respect to such taxes.

(m) Guarantor represents and warrants to Lender that all of the representations and warranties relating to Guarantor contained in any of the other Loan Documents are true and correct in all material respects (unless such representation or warranty contains a materiality qualifier, in which event the representation or warranty shall be true and correct in all respects).

(n) All representations and warranties made by Guarantor herein shall survive the execution hereof.

8. Covenants of Guarantor. Guarantor covenants and agrees that, until all of the Guaranteed Obligations are indefeasibly paid in full to Lender, as follows:

(a) Guarantor will furnish or cause to be furnished to Lender: (i) the financial statements specified in the Loan Agreement, as and when required to be furnished to Lender; (ii) copies of all income tax returns of Guarantor and any requests for extensions of filing deadlines, within fifteen (15) days after the filing of such returns or requests for extensions; and (iii) such other financial and other information related to Guarantor and the transactions contemplated by the Loan Documents as Lender may from time to time reasonably request.

(b) Guarantor will not make any material change in the nature of its business, and will not sell, mortgage, pledge or otherwise transfer any material portion of its real or personal property, business or other assets for less than fair market value and reasonably equivalent consideration without having first obtained Lender's prior written consent.

(c) Guarantor hereby authorizes Lender, at its option, to order and obtain, from time to time, from a credit reporting agency of Lender's choice, a third-party credit report on Guarantor.

(d) Guarantor shall perform and observe all of the terms, covenants and agreements set forth in the other Loan Documents that are required to be, or that Borrower has agreed to cause to be, performed or observed by Guarantor or any affiliate of Guarantor.

(e) Guarantor shall cause Borrower to comply with the SPE Covenants set forth in the Mortgage.

(f) Guarantor shall furnish promptly to Lender such additional information concerning Guarantor as Lender shall reasonably request from time to time.

(g) Each Guarantor shall, on an individual basis, maintain a minimum Tangible Net Worth of $1,000,000.00.

(h) Generation Income Properties, Inc. will qualify as a REIT and make its REIT election no later than December 31, 2020. and upon qualification as a REIT, Generation Income Properties, Inc. shall be deemed to represent and warrant that it is in compliance with all requirements and conditions imposed by the Internal Revenue Code of 1986, as amended, to maintain its status as a REIT.

(i) Generation Income Properties, Inc., upon qualification as, and making its election to be, a REIT, will at all times maintain its status as a REIT.

9. Notices. Unless specifically stated otherwise in this Guaranty, all notices, requests and communications required or permitted to be delivered under this Guaranty shall be in writing and delivered to all Persons at the addresses below, by one of the following methods:

(a) Hand delivery, whereby delivery is deemed to have occurred at the time of delivery.

(b) A nationally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day following deposit with the courier for next Business Day delivery.

(c) Certified or Registered United States Mail, signature required and postage-prepaid. whereby delivery is deemed to have occurred on the third (3rd) Business Day following deposit with the United States Postal Service.

(d) Electronic transmission (facsimile or e-mail) provided that the transmission is completed no later than 5:00 p.m. on a Business Day and the original also is sent via overnight courier or U.S. Mail, whereby delivery is deemed to have occurred at the end of the Business Day on which electronic transmission is completed.

To Guarantor:	Name:	David Sobelman
	Address:	401 East Jackson Street, Suite 3300 Tampa, FL 33602
To Lender:	Name:	Denise Brown
	Address:	BayPort Credit Union One BayPort Way. Suite 350 Newport News, VA 23606
	Telephone:	(757) 671-8871
	Facsimile:	(757) 873-5561
	E-mail:	dbrown@bayportcu.orn

with a copy to:	Name:	Bari W. Hunter, Esq.
	Address:	Kaufman & Canoles, P.C. 150 W. Main Street, Suite 2100 Norfolk, VA 23510
	Telephone:	(757) 624-3191
	Facsimile:	(888) 360-9092
	E-mail:	bwhunter@kaufcan.com

Any party may change its address for purposes of this Section 9 by giving written notice as provided in this Section 9.

All notices and demands delivered by a party's attorney on a party's behalf shall he deemed to have been delivered by said party. Notices shall be valid only if served in the manner provided in this Section.

10. Governing Law; Jurisdiction and Venue.

(a) This Guaranty and any claim, controversy, dispute or cause of action (whether in contract, tort, or otherwise) based upon, arising out of or relating to this Guaranty and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

(b) Guarantor irrevocably and unconditionally: (i) agrees that any legal action, suit or proceeding arising out of or relating to this Guaranty may be brought in the courts of the Commonwealth of Virginia or of the United States of America for the Eastern District of Virginia, Norfolk Division; and (ii) submits to the jurisdiction of any such court in any such action, suit or proceeding. Final judgment against Guarantor in any action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment. Guarantor irrevocably consents to service of process by mail as set forth in Section 9 for other notices. Nothing in this Section shall affect or impair Lender's right to serve legal process in any manner permitted by law or Lender's right to bring any action or proceeding against Guarantor or Guarantor's property in the courts of any other jurisdiction.

(c) Guarantor irrevocably and unconditionally waives, to the fullest extent Guarantor may effectively do so under applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of this Guaranty in any court referred to in Section 10(b) and the defense of improper venue and/or an inconvenient forum to the maintenance of any action or proceeding in any such court relating to this Guaranty.

(d) Guarantor agrees that the exclusive forum for any legal action or proceeding against Lender or any of Lender's directors, officers. employees, agents or property, concerning any matter arising out of or relating to this Guaranty or any of the Guaranteed Obligations shall be in the court of general jurisdiction in the state and county of Lender's office location that is Lender's address for the giving of notices under this Guaranty.

11. Severability. If any term or provision of this Guaranty is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Guaranty or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Guaranty so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

12. Right of Setoff. If an Event of Default shall have occurred and be continuing, Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, and without prior notice to Guarantor or any other Loan Party, any such notice being expressly waived by Guarantor, to setoff and appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by Lender to or for the credit or the account of Guarantor against any and all of the obligations of Guarantor now or hereafter existing under this Guaranty whether direct or indirect, absolute or contingent, matured or unmatured, and irrespective of whether or not Lender shall have made any demand under this Guaranty or any other Loan Document. The rights of Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that Lender may have. Lender agrees to use good faith efforts to notify Guarantor promptly after any such setoff and appropriation and application; provided that the failure to give such notice shall not affect the validity of such setoff and appropriation and application.

13. Indemnification.

(a) Guarantor hereby agrees to indemnify and hold Lender harmless from any losses, damages, liabilities, claims and related expenses (including, without limitation, court costs, experts' fees and the actual fees, expenses and time charges of any outside counsel for Lender), incurred by Lender or asserted against Lender by any Person (including Guarantor or any other Loan Party) arising out of, in connection with, or resulting from the enforcement (or attempted enforcement) of this Guaranty or the preservation of Lender's rights hereunder.

(b) To the fullest extent permitted by applicable law, Guarantor hereby agrees not to assert, and hereby waives, any claim against Lender, on any theory of liability, for special, indirect. consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Guaranty, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any extension of credit or the use of proceeds thereof Lender shall not be liable for any damages arising from the use of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Guaranty or the other Loan Documents or the transactions contemplated hereby or thereby by unintended recipients.

(c) All amounts due under this Section 13 shall be payable not later than three (3) days after demand therefor.

(d) Guarantor's obligations under this Section 13 shall survive termination of the Loan Documents and payment in full of the Guaranteed Obligations and all other amounts payable under this Guaranty and any release or termination of this Guaranty.

14. Amendments and Waivers. No term of this Guaranty may be waived, modified or amended except by an instrument in writing signed by the parties hereto. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

15. Parties Bound; Assignment. This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however. that Guarantor may not, without the prior written consent of Lender, assign any of its rights, powers, duties or obligations hereunder. Upon, or in connection with, any sale, transfer or assignment of the Note or any interest therein by Lender or any successor or assignee of Lender, then: (i) this Guaranty including each representation and covenant made by Guarantor shall automatically and concurrently be transferred and assigned to (and run to the benefit of) the purchaser, transferee or assignee of all or any portion of the Note; (ii) this Guaranty and shall inure to the benefit of and shall be enforceable by Lender's successors and assigns: and (iii) Lender may. in its sole discretion. disclose financial and other information to prospective purchasers, transferees or assignees with respect to Guarantor, and Guarantor shall cooperate with Lender in connection with any such sale, transfer or assignment and shall execute any and all documents which may be required or desirable, in Lender's discretion, to effectuate any such sale, transfer or assignment.

16. Headings. Section headings are for convenience of reference only and shall not define, modify, expand or limit any of the terms of this Guaranty.

17. Recitals. The Recital and introductory paragraphs hereof are a part hereof, form a basis for this Guaranty and shall be considered prima facie evidence of the facts and documents referred to therein.

18. Counterparts; Effectiveness. This Guaranty and any amendments, waivers. consents or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Guaranty and the Loan Documents or any amendment, modification or supplement thereto by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Guaranty and the Loan Documents. The acknowledgment of any Guarantor (if more than one) is not required as a condition to this Guaranty being effective and binding on any Guarantor whose signature is affixed to this Guaranty or any counterpart of this Guaranty.

19. Rights and Remedies. If Guarantor becomes liable for any indebtedness owing by Borrower to Lender, by endorsement or otherwise, other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby and the rights of Lender hereunder shall be cumulative of any and at i other rights that Lender may ever have against Guarantor. The exercise by Lender of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

20. No Waiver by Lender. No failure to exercise, and no delay in exercising, on the part of Lender, any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights of Lender hereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision of this Guaranty, or consent to depart therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

21. Entire Agreement. THIS GUARANTY EMBODIES THE FINAL. ENTIRE AGREEMENT OF GUARANTOR AND LENDER WITH RESPECT TO GUARANTOR'S GUARANTY OF THE GUARANTEED OBLIGATIONS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL. RELATING TO THE SUBJECT MATTER HEREOF. THIS GUARANTY IS INTENDED BY GUARANTOR AND LENDER AS A FINAL AND COMPLETE EXPRESSION OF THE TERMS OF THE GUARANTY, AND NO COURSE OF DEALING BETWEEN GUARANTOR AND LENDER, NO COURSE OF PERFORMANCE, NO TRADE PRACTICES, AND NO EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE SHALL BE USED TO CONTRADICT, VARY, SUPPLEMENT OR MODIFY ANY TERM OF THIS GUARANTY. THERE ARE NO ORAL AGREEMENTS BETWEEN GUARANTOR AND LENDER RELATING TO THE GUARANTY OF THE GUARANTEED OBLIGATIONS OR ANY OTHER OBLIGATION OF GUARANTOR UNDER THIS GUARANTY.

22. Interpretation. For purposes of this Guaranty: (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation;" (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Guaranty as a whole. The definitions given for any defined terms in this Guaranty shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (i) to Schedules, Exhibits and Sections mean the Schedules, Exhibits and Sections of this Guaranty; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Guaranty shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

23. Time of Essence. Time shall be of the essence with respect to all of Guarantor's obligations under this Guaranty and this may be contrary to negotiated provisions in other loan documents.

24. Manner of Payments. All payments due hereunder shall be made in lawful money of the United States of America no later than 2:00 p.m. on the date on which such payment is due by wire transfer of immediately available funds to Lender's account at a bank specified by Lender in writing to Guarantor from time to time.

25. Default Interest. If any amount payable under this Guaranty is not paid when due (without regard to any applicable grace periods). whether at the stated maturity, by acceleration or otherwise, then Guarantor shall pay interest on such amount at an annual rate equal to the Default Rate until such time as such amount, together with any accrued interest thereon, shall have been paid in full to Lender.

[Signature pages follow]

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty as of the date first above written.

GUARANTOR:

David Sobelman

Generation Income Properties,
Inc., a Maryland corporation

By: 
David Sobelman, President

Generation Income Properties, L.P.,
a Delaware limited partnership

By: Generation Income Properties, Inc.,
a Maryland corporation, General Partner

David Sobelman, President

Exhibit 10.13

GUARANTY OF NONRECOURSE CARVEOUT LIABILITIES AND OBLIGATIONS

THIS GUARANTY OF NONRECOURSE CARVEOUT LIABILITIES AND OBLIGATIONS (this **"Guaranty"),** dated as of September 30, 2019. is made by GENERATION INCOME PROPERTIES, L.P.. a Delaware limited partnership, GENERATION INCOME PROPERTIES, INC., a Maryland corporation, and DAVID SOBELMAN, each having a business address of 401 East Jackson Street, Suite 3300, Tampa, Florida 33602 (hereinafter referred to, together with their successors and assigns, including the estate of any individual guarantor who becomes deceased. as **"Guarantor"),** for the benefit of NEWPORT NEWS SHIPBUILDING EMPLOYEES' CREDIT UNION, INC. DBA BAYPORT CREDIT UNION, a Virginia Corporation, having an office at One BayPort Way, Suite 350, Newport News, VA 23606 (together with its successors and assigns, **"Lender").**

Recitals

A. Lender has extended credit to Riverside Crossing, L.C., a Virginia limited liability company (together with its successors and assigns, the **"Original Borrower"),** in the principal amount of $5,200,000.00 (the **"Original Loan")** pursuant to that certain Commercial Loan Agreement dated as of October 23, 2017, by and between Original Borrower and Lender ("the **"Original Loan Agreement").** which Original Loan is evidenced by that certain Promissory Note, dated as of October 23, 2017, executed by Original Borrower payable to the order of the Lender (the **"Original Note")** and secured by that certain Deed of Trust (the **"Original Deed of Trust"),** dated as of October 23, 2017, executed by Borrower to George R. Dudley, Jr. and James B. Mears, as Trustees for the benefit of the Lender and duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, on October 24, 2017 as Instrument No. 170023869, and guaranteed as to certain liabilities and obligations by Thomas E. Robinson and Anthony W. Smith (the **"Original Guarantors").**

B. GIPVA 130 Corporate Blvd. LLC (the **"New Borrower")** desires to acquire the Real Property (hereinafter defined) from the Original Borrower, assume the Original Loan, and obtain an additional principal advance under the Loan of $250,000.00 (the **"Requested Actions").**

C. Lender is unwilling to agree to the Requested Actions unless Guarantor absolutely and unconditionally guarantees to Lender the prompt and unconditional payment of the Guaranteed Obligations, and Guarantor is entering into this Guaranty to induce Lender to take the aforesaid actions.

D. Guarantor is a direct or indirect owner of Borrower and acknowledges that Guarantor will derive substantial benefits from Lender.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby represents, warrants, covenants and agrees for the benefit of Lender as follows:

1. Defined Terms. For purposes of this Agreement, the following terms shall have the following meanings. Capitalized terms used in this Guaranty without definition shall have the meanings ascribed to such terms in the Loan Agreement or if not defined therein, in the Mortgage.

"Assumption Agreement" means the Note, Deed of Trust, Assignment of Leases and Rents and Related Loan Documents Assignment, Assumption and Modification Agreement dated as of September ____, 2019, among the Original Borrower, the New Borrower and the Lender, and consented to by joinder by the Original Guarantors and the Guarantor.

"Bankruptcy Code" means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"Borrower" means, jointly and severally, the Original Borrower as defined in Recital A of this Guaranty and the New Borrower as defined in Recital B of this Guaranty.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in Norfolk, Virginia, are authorized or required by law to close.

"Debtor Relief Law(s)" means the Bankruptcy Code and all other liquidation, bankruptcy, assignment for the benefit of creditors, conservatorship, moratorium, receivership, insolvency, rearrangement, reorganization or similar debtor relief laws of the United States or any state or other applicable jurisdictions in effect from time to time.

"Default Rate" has the meaning set forth in the Note.

"Guaranteed Obligations" collectively means:

(a) All or any portion of the Secured Debts (as hereinafter defined) as to which Borrower has, at any time or from time to time, full and/or partial recourse or personal liability pursuant to Section 33 of the Mortgage captioned "NONRECOURSE" (collectively, the **"Nonrecourse Carveout Liabilities and Obligations").**

(b) Interest at the Default Rate which accrues on the Nonrecourse Carveout Liabilities and Obligations from the date of written demand for payment under this Guaranty from Lender to Guarantor until the Nonrecourse Carveout Liabilities and Obligations are paid in full; and

(c) All costs. expenses and fees, including, but not limited to, court costs and reasonable attorneys' fees, actually incurred by Lender in connection with the collection or enforcement of any or all amounts and indebtedness described in this Guaranty.

"Guarantor" has the meaning set forth in the Preamble of this Guaranty.

"Guarantor Claims" means all debts and liabilities of Borrower or any other Loan Party to Guarantor, whether such debts and liabilities now exist or are hereafter incurred or arise, or whether the obligations of Borrower or any other Loan Party thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of the person or persons in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by Guarantor. Guarantor Claims shall include, without limitation, all rights and claims of Guarantor against Borrower or any other Loan Party (arising as a result of subrogation or otherwise) as a result of Guarantor's payment of all or a portion of the Guaranteed Obligations to the extent the provisions of Section **4** hereof are unenforceable.

"Guaranty" has the meaning set forth in the Preamble of this Guaranty.

"Lender" has the meaning set forth in the Preamble of this Guaranty.

"Loan" means the Original Loan as defined in Recital A of this Guaranty as assumed, modified and increased by the Assumption Agreement.

"Loan Agreement" means the Original Loan Agreement as defined in Recital A of this Guaranty, as modified and amended by the Assumption Agreement as the same may be further amended, restated, replaced, supplemented or otherwise modified from time to time.

"Loan Documents" has the meaning set forth in the Loan Agreement.

"Loan Party" means Borrower, Guarantor and any other Person that executed any other guaranty or indemnity related to the Loan and every other Person that is a party to any Loan Document.

"Mortgage" means the Original Deed of Trust as defined in Recital A of this Guaranty, as modified and amended by the Assumption Agreement as the same may be further amended, restated, replaced, supplemented or otherwise modified from time to time.

"Nonrecourse Carveout Liabilities and Obligations" has the meaning set forth in the definition of Guaranteed Obligations in this Guaranty.

"Note" means the Original Note as defined in Recital A of this Guaranty as modified and amended by the Assumption Agreement as the same may be further amended, restated, replaced, supplemented or otherwise modified from time to time.

"Person" means any natural person, corporation, limited liability company, joint venture, association, partnership, trust, trustee, governmental authority or other entity.

"Real Property" means the "Property" as described and defined in the Mortgage.

"Secured Debts" has the meaning set forth in the Mortgage.

"SPE Covenants" has the meaning set forth in the Mortgage.

"Tangible Net Worth" means, with respect to the applicable Guarantor, all assets of such Guarantor less intangible assets (such as goodwill, franchises, licenses and trademarks) minus total liabilities of such Guarantor.

2. Guaranty.

(a) Guarantor hereby irrevocably, absolutely and unconditionally guarantees to Lender the full and prompt payment and performance of the Guaranteed Obligations, as and when the same shall be due and payable and as and when the same shall be required to be performed under the Loan Documents, whether at stated maturity, required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code). Guarantor hereby irrevocably, absolutely and unconditionally covenants and agrees that it is liable for the Guaranteed Obligations as a primary obligor. This Guaranty is a continuing guarantee of: (i) payment; and (ii) performance of any non-monetary Guaranteed Obligations, and is not a guaranty of collection.

(b) Upon the occurrence, from time to time, of any default by Borrower in the payment or performance of the Guaranteed Obligations, or any part thereof, when such Guaranteed Obligations are due to be paid or performed by Borrower and after the expiration of any applicable grace and notice period under the Loan Documents, Guarantor shall promptly pay or perform the Guaranteed Obligations then due in full, without notice or demand by Lender. In such case it shall not be necessary for Lender, in order to enforce such payment by Guarantor, to first: (i) institute suit or exhaust its remedies against Borrower or any other Person; (ii) enforce any rights against any collateral for the Secured Debts; or (iii) demonstrate that Lender has currently suffered any loss or liability or that the collateral for the Secured Debts provides inadequate security for the Secured Debts.

(c) Without limiting any other provision of this Guaranty, Guarantor acknowledges and agrees that, to the extent Lender realizes any proceeds under any Loan Documents which secure the Secured Debts including, without limitation, any voluntary payments or prepayments by Borrower or any other Loan Party on account of the Loan, insurance or condemnation proceeds, or proceeds from the sale at foreclosure of any collateral for the Secured Debts, then such proceeds shall, to the extent not prohibited by applicable law, not be applied to or r redited against the Guaranteed Obligations and may be applied by Lender to that portion of the Secured Debts that are not Guaranteed Obligations in such order and priority as Lender shall determine in its sole discretion.

(d) If this Guaranty is executed by more than one party constituting Guarantor, it is specifically agreed that Lender may enforce the provisions hereof with respect to one or more of such parties constituting a Guarantor without seeking to enforce the same as to all or any such parties. Each of the parties constituting Guarantor hereunder hereby waives any requirement of joinder of all or any other of the parties constituting Guarantor in any suit or proceeding to enforce the provisions of this Guaranty. The liability hereunder of all parties constituting Guarantor shall be joint and several.

3. Guarantor's Obligations Absolute and Unconditional; Waivers of Defenses.

(a) Guarantor hereby guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents to which Borrower is a party, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of Lender with respect thereto. The obligations of Guarantor shall be independent of the obligations of any other guarantor or Loan Party under any other guaranty or Loan Document. A separate action may be brought against Guarantor to enforce this Guaranty, whether or not any action is brought against Borrower or any other Loan Party or whether or not Borrower or any other Loan Party is joined in any such action. The obligations of Guarantor under this Guaranty shall be irrevocable, absolute and unconditional in all respects, and this Guaranty and Guarantor's obligations hereunder shall at all times be valid and enforceable irrespective of, and shall not be terminated, discharged, affected or impaired, and Guarantor hereby irrevocably waives any defenses to enforcement it may have (now or in the future) by reason of:

(i) any illegality or lack of validity or enforceability of any Guaranteed Obligation, Secured Debts or any Loan Document or any related agreement or instrument;

(ii) any change in the time, place or manner of payment of, or in any other term of, the Guaranteed Obligations, the Secured Debts or any other obligation of any Loan Party under any Loan Document, or any rescission, waiver, extension, amendment or other modification of any Loan Document or any other agreement, including any increase in the Guaranteed Obligations or Secured Debts resulting from any extension of additional credit or otherwise;

(iii) any taking, exchange, substitution, release, impairment ornon-perfection of any collateral, or any taking. release, impairment, amendment, waiver or other modification of any guaranty, for the Guaranteed Obligations;

(iv) any manner of sale, disposition or application of proceeds of any collateral or other assets to all or part of the Guaranteed Obligations or the Secured Debts, and/or any failure of Lender to marshall assets of Borrower or any other Loan Party;

(v) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations or Secured Debts;

(vi) any negligence by Lender in the administration or enforcement of the Guaranteed Obligations or the Secured Debts, or any delay in enforcing the Guaranteed Obligations or the Secured Debts, or in realizing on any collateral for the Guaranteed Obligations or the Secured Debts, or in otherwise enforcing its rights and remedies under this Guaranty or any other Loan Document;

(vii) the death, incompetence, disability, insolvency or bankruptcy of any Guarantor, and/or the failure of Lender to enforce any claims against the estate of Guarantor in any probate, bankruptcy or other proceeding against any Person;

(viii) any change, restructuring or termination of the corporate structure, ownership or existence of any Loan Party or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Borrower or its assets or any resulting release or discharge of any Guaranteed Obligations;

(ix) any failure of Lender to disclose to Guarantor or any other Loan Party any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party, or to the collateral for the Loan, now or hereafter known to Lender;

(x) the failure of any other Person to execute or deliver this Guaranty or the release or reduction of liability of any other guarantor or surety with respect to the Guaranteed Obligations;

(xi) any sale, transfer, grant, conveyance or assignment of Borrower's interest in the Real Property or other collateral for the Loan or any part thereof, or any transfer or assignment of interests in the ownership of Borrower and/or the reconstitution of Borrower, regardless of whether any of the foregoing is permitted under the Loan Documents;

(xii) the failure of Lender to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of any Loan Document or otherwise;

(xiii) any payment made on the Secured Debts or the Guaranteed Obligations, whether made by Borrower or Guarantor or any other person, which is required to be refunded pursuant to any bankruptcy or insolvency law; it being understood that no payment so refunded shall be considered as a payment of any portion of the Secured Debts, nor shall it have the effect of reducing the liability of Guarantor hereunder;

(xiv) any defense. set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, the Borrower against Lender; and/or

(xv) any other circumstance of any nature whatsoever that might otherwise constitute a defense (legal, equitable or otherwise) available to, or a discharge of, this Guaranty, the Guaranteed Obligations, the obligations of Guarantor hereunder or the obligations of any other person or party relating to this Guaranty or otherwise with respect to the Loan.

Guarantor acknowledges and agrees that any nonrecourse or exculpatory language contained in any of the Loan Documents shall in no event apply to this Guaranty, and shall not prevent Lender from proceeding against Guarantor to enforce this Guaranty.

(b) This Guaranty:

(i) is a continuing guaranty and shall remain in full force and effect until the satisfaction in full of all of the Guaranteed Obligations, the Secured Debts and the payment in full of all amounts, if any, that may become due and payable under this Guaranty;

(ii) notwithstanding Section 3.1(b)(i) above, shall continue to be effective and/or shall be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by Lender to Borrower or Guarantor or to any guarantor, trustee, receiver or other representative of any of them, upon the insolvency, bankruptcy or reorganization of Borrower or otherwise, all as though such payment had not been made; and

(iii) shall continue to be effective with respect to any Guaranteed Obligations arising or created after any attempted revocation by Guarantor and after (if Guarantor is a natural person) Guarantor's death (in which event this Guaranty shall be binding upon Guarantor's estate and Guarantor's legal representatives and heirs).

4. Subrogation; Waiver of Creditor's Rights.

(a) Notwithstanding any payment or payments made by Guarantor hereunder, Guarantor will not assert or exercise any right of Lender or of Guarantor against Borrower or any other Loan Party to recover the amount of any payment made by Guarantor to Lender by way of subrogation, reimbursement, contribution, exoneration, indemnity, or otherwise arising by contract, operation of law or under common law, and Guarantor shall not have and hereby expressly waives any right of

recourse to or any claim against Borrower or any Loan Party or any assets or property of Borrower or any Loan Party until three hundred sixty-six (366) days after the Guaranteed Obligations have been satisfied in full. If any amount shall nevertheless be paid to Guarantor by Borrower or any other Loan Party prior to three hundred sixty-six (366) days after payment in full of the Guaranteed Obligations, such amount shall be held in trust for the benefit of Lender and shall forthwith be paid to Lender to be credited and applied to the Guaranteed Obligations, whether matured or unmatured.

(b) It is the intention of the parties that Guarantor shall not be deemed to be a "creditor" or "creditors" (as defined in Section 101 of the Bankruptcy Code) of Borrower, or any other Loan Party by reason of the existence of this Guaranty. If Borrower or any Loan Party becomes a debtor in any proceeding under the Bankruptcy Code or any other Debtor Relief Law, then in connection therewith Guarantor hereby waives any such right as a "creditor" under the Bankruptcy Code. The waivers given in this Section are given to induce Lender agree to the Requested Actions.

5. Subordination of All Guarantor Claims.

(a) Guarantor agrees that the Guarantor Claims shall at all times be fully subordinate as to lien (if any), time and right of payment and in all other respects to the Guaranteed Obligations and to all Secured Debts, and that Guarantor shall not be entitled to enforce or receive payment therefor until the entire Guaranteed Obligations and Secured Debts shall be indefeasibly paid in full to Lender.

(b) In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings under any Debtor Relief Law involving Guarantor or any other Loan Party as debtor, Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon Guarantor Claims. Guarantor hereby assigns such dividends and payments to Lender. Should Lender receive, for application upon the Guaranteed Obligations, any such dividend or payment which is otherwise payable to Guarantor, and which, as between Borrower or any other Loan Party and Guarantor, shall constitute a credit upon Guarantor Claims, then upon indefeasible payment to Lender in full of the Guaranteed Obligations. Guarantor shall become subrogated to the rights of Lender to the extent that such payments to Lender on Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if Lender had not received dividends or payments upon Guarantor Claims.

(c) If, notwithstanding anything to the contrary in this Guaranty, Guarantor receives any funds, payment, claim or distribution which is prohibited by this Guaranty, Guarantor agrees to hold in trust for Lender an amount equal to the amount of all funds, payments, claims or distributions so received, and agrees that it shall have absolutely no dominion over or ownership of the amount of such funds, payments, claims or distributions so received except to pay them promptly to Lender, and Guarantor covenants to pay the same to Lender within three (3) days after Guarantor's receipt thereof. Notwithstanding the foregoing provisions of this Section 5, prior to the occurrence of an Event of Default, Guarantor shall be entitled to receive from Borrower any and all distributions payable under Borrower's Operating Agreement on account of cash flow from the Real Property to the extent such distributions are permitted under the Loan Documents.

(d) Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's or any other Loan Party's assets securing payment of any Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's or any other Loan Party's assets in favor of Lender, regardless of whether such encumbrances in favor of Guarantor or Lender presently exist or are hereafter created or attached. Without the prior written consent of Lender, Guarantor shall not:

(i) exercise or enforce any creditor's right it may have against Borrower or any other Loan Party; or

(ii) foreclose, repossess, sequester or otherwise take steps or institute any action or proceedings (judicial or otherwise, including without limitation the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any liens, mortgages, deeds of trust, security interests, collateral rights, judgments or other encumbrances on assets of Borrower or any other Loan Party.

6. Additional Waivers and Acknowledgments.

(a) Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all presently existing and future Guaranteed Obligations.

(b) Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Guaranty (other than notices expressly required herein) and any requirement that Lender protect, secure, perfect or insure any lien, security interest or any property subject thereto.

(c) Guarantor agrees that Lender need not attempt to collect any Guaranteed Obligations from Borrower or any other Loan Party or to realize upon any collateral, but may require Guarantor to make immediate payment of all of the Guaranteed Obligations to Lender when due, whether by maturity. acceleration or otherwise, or at any time thereafter. Guarantor waives any defense based upon failure of Lender to commence an action against Borrower or any other Loan Party whether or not after notice and whether or not within the time prescribed by applicable law concerning limitations of actions commonly referred to as the "statute of limitations."

(d) Guarantor acknowledges that Lender may, at its election and without notice to or demand upon Guarantor, foreclose on any collateral (including any real property) or other collateral held by it by one or more judicial or non-judicial sales, accept an assignment of any such collateral in lieu of foreclosure, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with Borrower or any Loan Party or exercise any other right or remedy available to it against Borrower or any other Loan Party, without affecting or impairing in any way the liability of Guarantor hereunder except to the extent the Guaranteed Obligations (other than contingent or unliquidated obligations or liabilities) have been indefeasibly paid in full. Guarantor hereby waives any defense arising out of such election by Lender even though such election operates, pursuant to applicable law, to impair or to extinguish any right of subrogation, reimbursement, exoneration, contribution or indemnification or other right or remedy of Guarantor against Borrower or any other Loan Party or any collateral. Guarantor further acknowledges and agrees that if Lender forecloses on any collateral for the Loan, then: (i) the amount of the Secured Debts may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than

the sale price; (ii) Lender may collect from Guarantor even if Lender, by foreclosing on the real property collateral, has destroyed any right Guarantor may have to collect from Borrower; and (iii) Lender shall not be restricted or prohibited from recovering a deficiency judgment after any foreclosure sale and shall not be restricted from pursuing a deficiency judgment against Borrower or any Loan Party prior to any foreclosure sale.

(e) No failure on the part of Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided to Lender are cumulative and not exclusive of any remedies provided by law or available in equity.

(f) Guarantor waives any right that Guarantor may have to review any amendment, modification, extension, allonge, or endorsement of the Note or any Loan Document or any replacement of the Note or any Loan Document.

(g) Guarantor agrees to the provisions of the Loan Documents, and waives any right that Guarantor has to receive notice of: (i) any loans or advances made by Lender to Borrower or any Loan Party; (ii) acceptance of this Guaranty; (iii) any amendment, modification, replacement or extension of the Note or of any other Loan Documents; (iv) the execution and delivery by Borrower or any other Loan Party and Lender of any other loan or credit agreement or of Borrower's or any Loan Party's execution and delivery of any promissory notes or other documents arising under the Loan Documents or in connection with any collateral (or any security) for the Guaranteed Obligations; (v) the occurrence of any breach by Borrower or any Loan Party or any Event of Default under the Note or any of the Loan Documents, (vi) Lender's transfer, disposition or hypothecation of the Guaranteed Obligations, or any part thereof; (vii) any suit by Lender against Borrower or any Loan Party to foreclose any lien securing the Guaranteed Obligations; (viii) any sale or foreclosure (or posting or advertising for sale or foreclosure) of any collateral for the Guaranteed Obligations; (ix) protest, proof of nonpayment or default by Borrower or any Loan Party; or (x) any other action at any time taken or omitted by Lender, and, generally, all demands and notices of every kind in connection with this Guaranty, the Loan Documents and any documents or agreements evidencing, securing or relating to any of the Guaranteed Obligations.

(h) Guarantor waives any rights of Guarantor pursuant to Sections 49-25 and 49-26 of the Code of Virginia of 1950, as amended, and any similar or subsequent law as well as all other rights and defenses Guarantor may have.

(i) TO THE EXTENT PERMITTED BY LAW GUARANTOR HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS GUARANTY, THE SECURITY INSTRUMENT, OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY GUARANTOR, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. LENDER IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY GUARANTOR.

7. Representations and Warranties of Guarantor. To induce Lender to agree to the Requested Actions and to enter into the Assumption Agreement, Guarantor represents and warrants to Lender as follows:

(a) Guarantor is the owner of a direct interest in Borrower, and has received, or will receive, direct or indirect financial and other advantage and benefit, directly or indirectly, from the Loan and from each and every renewal, extension, amendment, increase, replacement, release of collateral or other relinquishment of legal rights made or granted or to be made or granted by Lender to Borrower and the giving of this Guaranty. The value of the consideration and benefits received and to be received by Guarantor as a result of Lender making the Loan to Borrower is reasonably worth at least as much as the liability and obligation of Guarantor hereunder.

(b) The execution, delivery and performance by Guarantor of this Guaranty and the consummation of the transactions contemplated hereunder do not, and will not, contravene or conflict with any law, statute or regulation whatsoever to which Guarantor is subject or constitute a default (or an event which with notice or lapse of time or both would constitute a default) under. or result in the breach of, any court order, indenture, mortgage, deed to secure debt, deed of trust, trust deed, charge, lien, or any contract, agreement or other instrument to which Guarantor is a party or which may be binding on or applicable to Guarantor. This Guaranty is a legal, valid and binding obligation of Guarantor and is enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors' rights.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or any person or entity (a **"Person")** (other than those that have been duly obtained or made and which are in full force and effect) is required for the consummation of this Guaranty or the due execution, delivery or performance by Guarantor of this Guaranty.

(d) There has been no material adverse change in the net worth, assets, financial condition, or prospective financial position of Guarantor since the date of the financial statements of Guarantor most recently delivered to Lender. No litigation, investigation, or proceeding of or before any arbitrator, court or governmental authority is pending or, to the knowledge of Guarantor, threatened by or against Guarantor or against any of Guarantor's assets: (i) with respect to this Guaranty or any of the transactions contemplated by any of the Loan Documents; or (ii) which could have a material adverse effect on the net worth, assets, financial condition, or prospective financial position of Guarantor.

(e) None of the factual information heretofore or contemporaneously furnished in writing to Lender by or on behalf of Guarantor in connection with this Guaranty or any other Loan Document contains any untrue statement of a material fact, or omits to state any material fact necessary to make any information not misleading, and no other factual information hereafter furnished in connection with this Guaranty or any Loan Document by or on behalf of Guarantor to Lender will contain any untrue statement of a material fact or will omit to state any material fact necessary to make any information not misleading on the date as of which such information is dated or certified.

(f) There are no conditions precedent to the effectiveness of this Guaranty that have not been satisfied or waived.

(g) Guarantor has, independently and without reliance upon Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Guaranty and any other Loan Document to which Guarantor is or may become a party, and is now and at all times will be completely familiar with, the business, condition (financial or otherwise), operations, performance, properties and prospects of Borrower and each other Loan Party.

(h) Neither Lender nor any other party has made any representation, warranty or statement to Guarantor in order to induce Guarantor to execute this Guaranty.

(i) As of the date hereof, and after giving effect to this Guaranty and the contingent obligation evidenced hereby, Guarantor is, and will be, solvent, and has and will have assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities) and debts, and has and will have property and assets sufficient to satisfy and repay its obligations and liabilities.

(j) The Guaranteed Obligations are for investment, business, or commercial purposes and not for personal, family, household, or agricultural purposes.

(k) Guarantor has reviewed and approved all of the Loan Documents, including the Note and the Assumption Agreement prepared in connection therewith, and has had an opportunity to discuss the Loan Documents with its legal counsel.

(l) Guarantor has filed all required federal, state and local tax returns and has paid all taxes as shown on such returns as they have become due. No claims have been assessed and are unpaid with respect to such taxes.

(m) Guarantor represents and warrants to Lender that all of the representations and warranties relating to Guarantor contained in any of the other Loan Documents are true and correct in all material respects (unless such representation or warranty contains a materiality qualifier, in which event the representation or warranty shall be true and correct in all respects).

(n) All representations and warranties made by Guarantor herein shall survive the execution hereof.

8. Covenants of Guarantor. Guarantor covenants and agrees that, until all of the Guaranteed Obligations are indefeasibly paid in full to Lender, as follows:

(a) Guarantor will furnish or cause to be furnished to Lender: (i) the financial statements specified in the Loan Agreement, as and when required to be furnished to Lender; (ii) copies of all income tax returns of Guarantor and any requests for extensions of filing deadlines, within fifteen (15) days after the filing of such returns or requests for extensions; and (iii) such other financial and other information related to Guarantor and the transactions contemplated by the Loan Documents as Lender may from time to time reasonably request.

(b) Guarantor will not make any material change in the nature of its business, and will not sell, mortgage, pledge or otherwise transfer any material portion of its real or personal property, business or other assets for less than fair market value and reasonably equivalent consideration without having first obtained Lender’s prior written consent.

(c) Guarantor hereby authorizes Lender, at its option, to order and obtain, from time to time, from a credit reporting agency of Lender's choice, a third-party credit report on Guarantor.

(d) Guarantor shall perform and observe all of the terms, covenants and agreements set forth in the other Loan Documents that are required to be, or that Borrower has agreed to cause to be, performed or observed by Guarantor or any affiliate of Guarantor.

(e) Guarantor shall cause Borrower to comply with the SPE Covenants set forth in the Mortgage.

Guarantor shall furnish promptly to Lender such additional information concerning Guarantor as Lender shall reasonably request from time to time.

(g) Each Guarantor shall, on an individual basis, maintain a minimum Tangible Net Worth of $1,000,000.00.

(h) Generation Income Properties, Inc. will qualify as a REIT and make its REIT election no later than December 31, 2020, and upon qualification as a REIT, Generation Income Properties, Inc. shall be deemed to represent and warrant that it is in compliance with all requirements and conditions imposed by the Internal Revenue Code of 1986, as amended, to maintain its status as a REIT.

(i) Generation Income Properties, Inc., upon qualification as, and making its election to be, a REIT, will at all times maintain its status as a REIT.

9. Notices. Unless specifically stated otherwise in this Guaranty, all notices, requests and communications required or permitted to be delivered under this Guaranty shall be in writing and delivered to all Persons at the addresses below, by one of the following methods:

(a) Hand delivery, whereby delivery is deemed to have occurred at the time of delivery.

(b) A nationally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day following deposit with the courier for next Business Day delivery.

(c) Certified or Registered United States Mail, signature required and postage-prepaid, whereby delivery is deemed to have occurred on the third (3rd) Business Day following deposit with the United States Postal Service.

(d) Electronic transmission (facsimile or e-mail) provided that the transmission is completed no later than 5:00 p.m. on a Business Day and the original also is sent via overnight courier or U.S. Mail, whereby delivery is deemed to have occurred at the end of the Business Day on which electronic transmission is completed.

To Guarantor:	Name: Address:	David Sobelman 401 East Jackson Street, Suite 3300 Tampa, FL 33602
To Lender:	Name: Address: Telephone: Facsimile: E-mail:	Denise Brown BayPort Credit Union One BayPort Way, Suite 350 Newport News, VA 23606 (757) 671-8871 (757) 873-5561 dbrown@bayportcu.org
with a copy to:	Name: Address: Telephone: Facsimile: E-mail:	Barry W. Hunter, Esq. Kaufman & Canoles, P.C. 150 W. Main Street, Suite 2100 Norfolk, VA 23510 (757) 624-3191 (888) 360-9092 bwhunter@kaufcan.com

Any party may change its address for purposes of this Section 9 by giving written notice as provided in this Section 9.

All notices and demands delivered by a party's attorney on a party's behalf shall be deemed to have been delivered by said party. Notices shall be valid only if served in the manner provided in this Section.

10. Governing Law; Jurisdiction and Venue.

(a) This Guaranty and any claim, controversy, dispute or cause of action (whether in contract, tort, or otherwise) based upon, arising out of or relating to this Guaranty and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

(b) Guarantor irrevocably and unconditionally: (i) agrees that any legal action, suit or proceeding arising out of or relating to this Guaranty may be brought in the courts of the Commonwealth of Virginia or of the United States of America for the Eastern District of Virginia. Norfolk Division; and (ii) submits to the jurisdiction of any such court in any such action, suit or proceeding. Final judgment against Guarantor in any action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment. Guarantor irrevocably consents to service of process by mail as set forth in Section 9 for other notices. Nothing in this Section shall affect or impair Lender's right to serve legal process in any manner permitted by law or Lender's right to bring any action or proceeding against Guarantor or Guarantor's property in the courts of any other jurisdiction.

(c) Guarantor irrevocably and unconditionally waives, to the fullest extent Guarantor may effectively do so under applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of this Guaranty in any court referred to in Section 10(b) and the defense of improper venue and/or an inconvenient forum to the maintenance of any action or proceeding in any such court relating to this Guaranty.

(d) Guarantor agrees that the exclusive forum for any legal action or proceeding against Lender or any of Lender's directors, officers, employees, agents or property, concerning any matter arising out of or relating to this Guaranty or any of the Guaranteed Obligations shall be in the court of general jurisdiction in the state and county of Lender's office location that is Lender's address for the giving of notices under this Guaranty.

11. Severability. If any term or provision of this Guaranty is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Guaranty or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Guaranty so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

12. Right of Setoff. If an Event of Default shall have occurred and be continuing, Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, and without prior notice to Guarantor or any other Loan Party, any such notice being expressly waived by Guarantor, to setoff and appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by Lender to or for the credit or the account of Guarantor against any and all of the obligations of Guarantor now or hereafter existing under this Guaranty whether direct or indirect, absolute or contingent, matured or unmatured, and irrespective of whether or not Lender shall have made any demand under this Guaranty or any other Loan Document. The rights of Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that Lender may have. Lender agrees to use good faith efforts to notify Guarantor promptly after any such setoff and appropriation and application; provided that the failure to give such notice shall not affect the validity of such setoff and appropriation and application.

13. Indemnification.

(a) Guarantor hereby agrees to indemnify and hold Lender harmless from any losses, damages, liabilities, claims and related expenses (including, without limitation, court costs, experts' fees and the actual fees, expenses and time charges of any outside counsel for Lender), incurred by Lender or asserted against Lender by any Person (including Guarantor or any other Loan Party) arising out of, in connection with, or resulting from the enforcement (or attempted enforcement) of this Guaranty or the preservation of Lender's rights hereunder.

(b) To the fullest extent permitted by applicable law, Guarantor hereby agrees not to assert, and hereby waives, any claim against Lender, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Guaranty, any other Loan Document or any agreement or

instrument contemplated hereby, the transactions contemplated hereby or thereby, any extension of credit or the use of proceeds thereof. Lender shall not be liable for any damages arising from the use of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Guaranty or the other Loan Documents or the transactions contemplated hereby or thereby by unintended recipients.

(c) All amounts due under this Section 13 shall be payable not later than three (3) days after demand therefor.

(d) Guarantor's obligations under this Section 13 shall survive termination of the Loan Documents and payment in full of the Guaranteed Obligations and all other amounts payable under this Guaranty and any release or termination of this Guaranty.

14. Amendments and Waivers. No term of this Guaranty may be waived, modified or amended except by an instrument in writing signed by the parties hereto. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

15. Parties Bound; Assignment. This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that Guarantor may not, without the prior written consent of Lender, assign any of its rights, powers, duties or obligations hereunder. Upon, or in connection with, any sale, transfer or assignment of the Note or any interest therein by Lender or any successor or assignee of Lender, then: (i) this Guaranty including each representation and covenant made by Guarantor shall automatically and concurrently be transferred and assigned to (and run to the benefit of) the purchaser, transferee or assignee of all or any portion of the Note; (ii) this Guaranty and shall inure to the benefit of and shall be enforceable by Lender's successors and assigns; and (iii) Lender may, in its sole discretion, disclose financial and other information to prospective purchasers, transferees or assignees with respect to Guarantor, and Guarantor shall cooperate with Lender in connection with any such sale, transfer or assignment and shall execute any and all documents which may be required or desirable, in Lender's discretion, to effectuate any such sale, transfer or assignment.

16. Headings. Section headings are for convenience of reference only and shall not define, modify, expand or limit any of the terms of this Guaranty.

17. Recitals. The Recital and introductory paragraphs hereof are a part hereof, form a basis for this Guaranty and shall be considered prima facie evidence of the facts and documents referred to therein.

18. Counterparts; Effectiveness. This Guaranty and any amendments, waivers, consents or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Guaranty and the Loan Documents or any amendment, modification or supplement thereto by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Guaranty and the Loan Documents. The acknowledgment of any Guarantor (if more than one) is not required as a condition to this Guaranty being effective and binding on any Guarantor whose signature is affixed to this Guaranty or any counterpart of this Guaranty.

19. Rights and Remedies. If Guarantor becomes liable for any indebtedness owing by Borrower to Lender. by endorsement or otherwise, other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may ever have against Guarantor. The exercise by Lender of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

20. No Waiver by Lender. No failure to exercise, and no delay in exercising, on the part of Lender, any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights of Lender hereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision of this Guaranty, or consent to depart therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

21. Entire Agreement. THIS GUARANTY EMBODIES THE FINAL, ENTIRE AGREEMENT OF GUARANTOR AND LENDER WITH RESPECT TO GUARANTOR'S GUARANTY OF THE GUARANTEED OBLIGATIONS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF. THIS GUARANTY IS INTENDED BY GUARANTOR AND LENDER AS A FINAL AND COMPLETE EXPRESSION OF THE TERMS OF THE GUARANTY, AND NO COURSE OF DEALING BETWEEN GUARANTOR AND LENDER, NO COURSE OF PERFORMANCE, NO TRADE PRACTICES, AND NO EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE SHALL BE USED TO CONTRADICT, VARY, SUPPLEMENT OR MODIFY ANY TERM OF THIS GUARANTY. THERE ARE NO ORAL AGREEMENTS BETWEEN GUARANTOR AND LENDER RELATING TO THE GUARANTY OF THE GUARANTEED OBLIGATIONS OR ANY OTHER OBLIGATION OF GUARANTOR UNDER THIS GUARANTY.

22. Interpretation. For purposes of this Guaranty: (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation;" (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Guaranty as a whole. The definitions given for any defined terms in this Guaranty shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (i) to Schedules, Exhibits and Sections mean the Schedules, Exhibits and Sections of this Guaranty; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Guaranty shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

23. Time of Essence. Time shall be of the essence with respect to all of Guarantor's obligations under this Guaranty and this may be contrary to negotiated provisions in other loan documents.

24. Manner of Payments. All payments due hereunder shall be made in lawful money of the United States of America no later than 2:00 p.m. on the date on which such payment is due by wire transfer of immediately available funds to Lender's account at a bank specified by Lender in writing to Guarantor from time to time.

25. Default Interest. If any amount payable under this Guaranty is not paid when due (without regard to any applicable grace periods), whether at the stated maturity, by acceleration or otherwise, then Guarantor shall pay interest on such amount at an annual rate equal to the Default Rate until such time as such amount, together with any accrued interest thereon, shall have been paid in full to Lender.

[Signature pages follow]

[Signature Page — Guaranty of Nonrecourse Carveout Liabilities and Obligations]

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty as of the date first above written.

GUARANTOR:

David Sobelman

Generation Income Properties, Inc.,
a Maryland corporation

By /s/ David Sobelman
David Sobelman, President

Generation Income Properties, L.P.,
a Delaware limited partnership

By: Generation Income Properties, Inc.,
a Maryland corporation, General Partner

By: 
David Sobelman, President

Exhibit 10.14

INDEMNIFICATION AGREEMENT
(Director)

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the__ day of _____, _____, by and between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and ("Indemnitee").

WHEREAS, at the request of the Company, Indemnitee currently serves as a directorof the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of Indemnitee's service; and

WHEREAS, as an inducement to Indemnitee to serve as a director, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnitee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "Change in Control" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if, after the Effective Date (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of all of the Company's then-outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such person's attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two-thirds of the members of the Board of Directors then in office, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not individuals (A) who were directors as of the Effective Date or (B) whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by the affirmative vote of at least two-thirds of the directors then in office who were directors as of the Effective Date or whose election for nomination for election was previously so approved.

(b) “Corporate Status” means the status of a person as a present or former director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company. As a clarification and without limiting the circumstances in which Indemnitee may be serving at the request of the Company, service by Indemnitee shall be deemed to be at the request of the Company if Indemnitee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise (i) of which a majority of the voting power or equity interest is owned directly or indirectly by the Company or (ii) the management of which is controlled directly or indirectly by the Company.

(c) “Disinterested Director” means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnitee.

(d) “Effective Date” means the date set forth in the first paragraph of this Agreement.

(e) “Expenses” means any and all reasonable and out-of-pocket attorneys’ fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties and any other disbursements or expenses incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding. Expenses shall also include Expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent.

(f) “Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement.

(g) “Proceeding” means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal,

administrative or investigative (formal or informal) nature, including any appeal therefrom, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding.

Section 2. Services by Indemnitee. Indemnitee serves as a directorof the Company. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee's service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent permitted by Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the Maryland General Corporation Law (the "MGCL").

Section 4. Standard for Indemnification. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify Indemnitee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any such Proceeding unless it is established that (a) the act or omission of Indemnitee was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnitee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnitee shall not be entitled to:

(a) indemnification hereunder if the Proceeding was one by or in the right of the Company and Indemnitee is adjudged to be liable to the Company;

(b) indemnification hereunder if Indemnitee is adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnitee, whether or not involving action in the Indemnitee's Corporate Status; or

(c) indemnification or advance of Expenses hereunder if the Proceeding was brought by Indemnitee, unless: (i) the Proceeding was brought to enforce indemnification under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement, or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court-Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnitee and such notice as the court shall require, may order indemnification of Indemnitee by the Company in the following circumstances:

(a) if such court determines that Indemnitee is entitled to reimbursement underSection 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnitee shall be entitled to recover the Expenses of securing such reimbursement; or

(b) if such court determines that Indemnitee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnitee (i) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper. However, indemnification with respect to any Proceeding by or in the right of the Company or in which liability shall have been adjudged in the circumstances described in Section 2-418(c) of the MGCL shall be limited to Expenses.

Section 7. Indemnification for Expenses of an Indemnitee Who is Wholly or Partially Successful Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee was or is, by reason of Indemnitee's Corporate Status, made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, Indemnitee shall be indemnified for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee under this Section 7 for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7 and, without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advance of Expenses for Indemnitee. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnitee's ultimate entitlement to indemnification hereunder, advance all reasonable Expenses incurred by or on behalf of Indemnitee in connection with such Proceeding within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written affirmation by Indemnitee of Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by

this Agreement has been met and a written undertaking by or on behalf of Indemnitee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion of any Expenses advanced to Indemnitee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met by Indemnitee and which have not been successfully resolved as described in Section 7 of this Agreement. To the extent that Expenses advanced to Indemnitee do not relate to a specific claim, issue or matter in the Proceeding, such Expenses shall be allocated on a reasonable and proportionate basis. The undertaking required by this Section 8 shall be an unlimited general obligation by or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advance of Expenses as a Witness or Proceeding Participant Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is or may be, by reason of Indemnitee's Corporate Status, made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other party, and to which Indemnitee is not a party, Indemnitee shall be advanced all reasonable Expenses and indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. Indemnitee may submit one or more such requests from time to time and at such time(s) as Indemnitee deems appropriate in Indemnitee's sole discretion. The officer of the Company receiving any such request from Indemnitee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval shall not be unreasonably withheld; or (ii) if a Change in Control shall not have occurred, (A) by the Board of Directors by a majority vote of a quorum consisting of Disinterested Directors or, if such a quorum cannot be obtained, then by a majority vote of a duly authorized committee of the Board of Directors consisting solely of one or more Disinterested Directors, (B) if Independent Counsel has been selected by the Board of Directors

in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by a majority of the members of the Board of Directors, by the stockholders of the Company. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

(c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of *nolo contendere* or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60

days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification or advance of Expenses. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought by Indemnitee to enforce Indemnitee's rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnitee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification.

(d) In the event that Indemnitee, pursuant to this Section 12, seeks a judicial adjudication of or an award in arbitration to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company for, any and all Expenses actually and reasonably incurred by Indemnitee in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that Indemnitee is entitled to receive part but not all of the indemnification or advance of Expenses sought, the Expenses incurred by Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

(e) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period (i) commencing with either the tenth day after the date on which the Company was requested to advance Expenses in accordance with Section 8 of this Agreement or the 60th day after the date on which the Company was requested to make the determination of entitlement to indemnification under Section 12(a) above and (ii) ending on the date such payment is made to Indemnitee by the Company.

Section 13. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 13(b) and of Section 13(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to indemnification hereunder; provided, however, that the Company shall notify Indemnitee of any such decision to defend within 15 calendar days following receipt of notice of any such Proceeding under Section 13(a) above. The Company shall not, without the prior written consent of Indemnitee, which shall not be unreasonably withheld or delayed, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) would impose any Expense, judgment, fine, penalty or limitation on Indemnitee. This Section 13(b) shall not apply to a Proceeding brought by Indemnitee under Section 12 of this Agreement.

(c) Notwithstanding the provisions of Section 13(b) above, if in a Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that Indemnitee may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that an

actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld, at the expense of the Company (subject to Section 12(d) of this Agreement), to represent Indemnitee in connection with any such matter.

Section 14. Non-Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws of the Company, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or 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 or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 15. Insurance. The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of Indemnitee's Corporate Status and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of Indemnitee's Corporate Status; provided that such insurance may, but shall not be required to, include employed lawyers professional liability coverage. Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee arising out of the amount of any deductible or retention and the amount of any excess of the aggregate of all judgments, penalties,

fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in the previous sentence. The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise) the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

Section 16. Coordination of Payments. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 17. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 18. Duration of Agreement; Binding Effect.

(a) This Agreement shall continue until and terminate on the later of (i) the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(b) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(c) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(d) The Company and Indemnitee agree hereby that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 19. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 20. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 21. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 22. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 23. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, on the day of such delivery, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to the address set forth on the signature page hereto.

(b) If to the Company, to:

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
Attn: President

or to such other address as may have been furnished in writing to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 24. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

Section 25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

GENERATION INCOME PROPERTIES, INC.

By: _____
Name: _____
Title: _____

INDEMNITEE

_____
Name: _____
Address:

EXHIBIT A

FORM OF AFFIRMATION AND UNDERTAKING TO REPAY EXPENSES ADVANCED

To: The Board of Directors of Generation Income Properties, Inc.

Re: Undertaking to Repay Expenses Advanced

Ladies and Gentlemen:

This affirmation and undertaking is being provided pursuant to that certain Indemnification Agreement dated the _____ day of _____, 20____, by and between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good faith belief that at all times, insofar as I was involved as a director of the Company, in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related Expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this ___ day of _____, 20____.

Name: _____

Exhibit 10.15

Generation Income Properties, Inc.
RESTRICTED STOCK AWARD AGREEMENT

_____
_____
_____

Dear Benjamin Adams:

You ("Grantee") have been granted an award of restricted shares of the common stock of Generation Income Properties, Inc. (the "Company") constituting a Restricted Stock Award (this "Award"). This Award is granted under and governed by the terms and conditions of this Award Agreement.

Grant Date:	
Number of Shares of Restricted Stock ("Restricted Shares"):	
Vesting Schedule and/or Performance Requirements:	Your Restricted Shares will vest as follows: _____, provided that you are continuously employed with or in the service of the Company or its Affiliates through the applicable vesting date. Upon your termination of employment with, or cessation of services to, the Company prior to the date all of the Restricted Shares are vested, you will forfeit the unvested Restricted Shares.
Certificate:	Until the Restricted Shares vest, the Company may, at the Company's discretion, issue one or more certificates or make appropriate book entries representing such Restricted Shares, with an appropriate restrictive legend or stop transfer order, and/or maintain possession of the certificate representing the Restricted Shares (with or without a legend) and/or take any other action that the Company deems necessary or advisable to enforce the limitations under this Award Agreement. The following is an example of a legend that may be appropriate: After (i) a Restricted Share vests and, if applicable, the Company certifies that performance goals have been achieved; (ii) the receipt by the Company from you of the certificate with legend representing such Restricted Share (if such a certificate had been issued to you); and (iii) any applicable tax requirements under this Award Agreement are met, the Company will deliver to you a certificate representing such Restricted Share, free of legends pertaining to transfer restrictions that were lifted as a result of such vesting, or instruct its transfer agent to remove analogous stop-transfer orders, and such Restricted Share shall thereupon be free of such transfer restrictions, although transfer restrictions imposed by law, company policy or other regulatory standards may still apply. Notwithstanding the foregoing, the Company will not be obligated to issue or deliver any certificates or transfer

	shares through book entry unless and until the Company is advised by its counsel that the issuance and delivery of the certificates or such transfer are in compliance with all applicable laws, regulations of governmental authorities and the requirements of any securities exchange upon which the Stock is traded.
Transferability of Restricted Shares:	You may not transfer or assign this Award for any reason, other than as set forth in this agreement, nor may you sell, transfer, assign or otherwise alienate or hypothecate any of your Restricted Shares until they are vested. In addition, by accepting this Award, you agree not to sell any Shares acquired under this Award other than as set forth below and at a time when applicable laws, Company policies or an agreement between the Company and its underwriters do not prohibit a sale. The Company also may require you to enter into a shareholder's agreement that will include additional restrictions on the transfer of Shares acquired under this Award that will remain effective after such Shares have vested. Any attempted transfer or assignment not permitted will be null and void.
Voting and Dividends:	Subject to the terms of the Award Agreement, you will have all the rights of a shareholder of the Company with respect to voting and receipt of dividends and other distributions on the Restricted Shares that are vested.
Market Stand-Off:	In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Award without the prior written consent of the Company and the Company's underwriters. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.
Tax Withholding:	You understand that you (and not the Company or any Affiliate) shall be responsible for your own federal, state, local or foreign tax liability and any other tax consequences that may arise as a result of the transactions contemplated by this Award. You shall rely solely on the determinations of your tax advisors or your own determinations, and not on any statements or representations by the Company or any of its agents, with regard to all such tax matters. You understand that you may alter the tax treatment of the Shares subject to this Award by filing an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"). Such election must be filed within thirty (30) days

after the date of this Award to be effective. **You should consult with your tax advisor to determine the tax consequences of acquiring the Shares and the advantages and disadvantages of filing the Code Section 83(b) election. You acknowledge that it is your sole responsibility, and not the Company's, to file a timely election under Code Section 83(b), even if you request the Company or its representatives to make this filing on your behalf.**

To the extent that the receipt or the vesting of the Restricted Shares, or the payment of dividends on the Restricted Shares, results in income to you for federal, state or local income tax purposes, you shall deliver to the Company at the time the Company is obligated to withhold taxes in connection with such receipt, vesting or payment, as the case may be, such amount as the Company requires to meet its withholding obligation under applicable tax laws or regulations. If you fail to do so, the Company has the right and authority to deduct or withhold from other compensation payable to you an amount sufficient to satisfy its withholding obligations or to delay delivery of the shares.

Miscellaneous:

- This Award Agreement may be amended only by written consent signed by both you and the Company, unless the amendment is not to your detriment or the amendment is otherwise permitted without your consent by this Award Agreement.
- The failure of the Company to enforce any provision of this Award Agreement at any time shall in no way constitute a waiver of such provision or of any other provision hereof.
- In the event any provision of this Award Agreement is held illegal or invalid for any reason, such illegality or invalidity shall not affect the legality or validity of the remaining provisions of this Award Agreement, and this Award Agreement shall be construed and enforced as if the illegal or invalid provision had not been included in this Award Agreement.
- As a condition to the grant of this Award, you agree (with such agreement being binding upon your legal representatives, guardians, legatees or beneficiaries) that this Award shall be interpreted by the Company and that any interpretation by the Company of the terms of this Award Agreement, and any determination made by the Company pursuant to this Award Agreement, shall be final, binding and conclusive.
- This Award may be executed in counterparts.

OTHER TERMS

1. No Award granted may be sold, assigned, mortgaged, pledged, exchanged, hypothecated or otherwise transferred, or encumbered or disposed of, by a Stock Grantee other than by will or the laws of descent and distribution, and during the lifetime of the Stock Grantee such Awards may be exercised only by the Stock Grantee or the Stock Grantee's legal representative or by the permitted transferee of such Stock Grantee as hereinafter provided (or by the legal representative of such permitted transferee). Subsequent transfers of transferred Awards are prohibited except transfers otherwise made in accordance with this Section 1. Any attempted transfer not permitted by this Section 13 shall be null and void and have no legal effect. The restrictions set forth in this Section 13, and any risk of forfeiture applicable to an Award, shall be enforceable against any transferee of an Award.

2. Termination and Amendment of Agreement; Amendment, Modification or Cancellation of Awards.

(a) *Amendment, Modification, Cancellation and Disgorgement of Awards.*

(i) Subject to the requirements of this Award Agreement, the Company may modify, amend or cancel any Award, or waive any restrictions or conditions applicable to any Award or the exercise of the Award; *provided* that, except as otherwise provided in this Award agreement, any modification or amendment that materially diminishes the rights of the grantee, or the cancellation of the Award, shall be effective only if agreed to by the grantee or any other person(s) as may then have an interest in the Award, but the Company need not obtain grantees (or other interested party) consent for the modification, amendment or cancellation of an Award pursuant to the provisions as follows: (A) to the extent the Company deems such action necessary to comply with any applicable law or the listing requirements of any principal securities exchange or market on which the Shares are then traded; (B) to the extent the Company deems necessary to preserve favorable accounting or tax treatment of any Award for the Company; or (C) to the extent the Company determines that such action does not materially and adversely affect the value of an Award or that such action is in the best interest of the affected Stock Grantee (or any other person(s) as may then have an interest in the Award). Notwithstanding the foregoing, unless determined otherwise by the Company, any such amendment shall be made in a manner that will enable an Award intended to be exempt from Code Section 409A to continue to be so exempt, or to enable an Award intended to comply with Code Section 409A to continue to so comply.

(ii) Notwithstanding anything to the contrary in an Award agreement, the Company shall have full power and authority to terminate or cause the Stock Grantee to forfeit the Award, and require the Stock Grantee to disgorge to the Company any gains attributable to the Award, if the Stock Grantee engages in any action constituting, as determined by the Company in its discretion, Cause for termination, or a breach of any Award agreement or any other agreement between the Stock Grantee and the Company or an Affiliate concerning noncompetition, nonsolicitation, confidentiality, trade secrets, intellectual property, nondisparagement or similar obligations.

(iii) Any Awards shall be subject to any recoupment or clawback policy that is adopted by, or any recoupment or similar requirement otherwise made applicable by law, regulation or listing standards to, the Company from time to time.

(b) *Code Section 409A*. The provisions of Code Section 409A are incorporated herein by reference to the extent necessary for any Award that is subject to Code Section 409A to comply therewith.

3. Taxes.

(a) *Withholding*. In the event the Company or one of its Affiliates is required to withhold any Federal, state or local taxes or other amounts in respect of any income recognized by a Stock Grantee as a result of the grant, vesting, payment or settlement of an Award or disposition of any Shares acquired under an Award, the Company or its Affiliate may deduct (or require an Affiliate to deduct) from any cash payments of any kind otherwise due the Stock Grantee, or with the consent of the Company, Shares otherwise deliverable or vesting under an Award, to satisfy such tax or other obligations. Alternatively, the Company or its Affiliate may require such Stock Grantee to pay to the Company or its Affiliate, in cash, promptly on demand, or make other arrangements satisfactory to the Company or its Affiliate regarding the payment to the Company or its Affiliate of the aggregate amount of any such taxes and other amounts. If Shares are deliverable upon exercise or payment of an Award, then, unless restricted by the Company and subject to such procedures as the Company may specify, a Stock Grantee may satisfy all or a portion of the Federal, state and local withholding tax obligations arising in connection with such Award by electing to deliver other previously owned Shares. To the extent expressly permitted by the Company, a Stock Grantee may satisfy all or a portion of the Federal, state and local withholding tax obligations arising in connection with an Award by having the Company or its Affiliate withhold Shares otherwise issuable under the Award or tendering back Shares received in connection with such Award. Notwithstanding anything to the contrary herein, the amount to be withheld may not exceed the total minimum federal, state and local tax withholding obligations associated with the transaction to the extent needed for the Company and its Affiliates to avoid an accounting charge. If an election is provided, the election must be made on or before the date as of which the amount of tax to be withheld is determined and otherwise as the Company requires. In any case, the Company and its Affiliates may defer making payment or delivery under any Award if any such tax may be pending unless and until indemnified to its satisfaction.

(b) *No Guarantee of Tax Treatment*. Notwithstanding any provisions of the Award Agreement, the Company does not guarantee to any Stock Grantee or any other Person with an interest in an Award that (i) any Award intended to be exempt from Code Section 409A shall be so exempt, (ii) any Award intended to comply with Code Section 409A or Code Section 422 shall so comply, or (iii) any Award shall otherwise receive a specific tax treatment under any other applicable tax law, nor in any such case will the Company or any Affiliate be required to indemnify, defend or hold harmless any individual with respect to the tax consequences of any Award.

4. Miscellaneous.

(a) *Other Terms and Conditions.* The Company may provide in any Award agreement such other provisions (whether or not applicable to the Award granted to any other Stock Grantee) as the Company determines appropriate to the extent not otherwise prohibited by the terms of this Award Agreement.

(b) *Employment and Service*. The issuance of an Award shall not confer upon a Stock Grantee any right with respect to continued employment or service with the Company or any Affiliate, or the right to continue as a Director. Unless determined otherwise by the Company, for purposes of all Awards, the following rules shall apply:

(i) a Stock Grantee who transfers employment between the Company and its Affiliates, or between Affiliates, will not be considered to have terminated employment;

(ii) a Stock Grantee who ceases to be a Non-Employee Director because he or she becomes an employee of the Company or an Affiliate shall not be considered to have ceased service as a Director with respect to any Award until such Stock Grantee's termination of employment with the Company and its Affiliates;

(iii) a Stock Grantee who ceases to be employed by the Company or an Affiliate and immediately thereafter becomes a Non-Employee Director, a non-employee director of an Affiliate, or a consultant to the Company or any Affiliate shall not be considered to have terminated employment until such Stock Grantee's service as a director of, or consultant to, the Company and its Affiliates has ceased; and

(iv) a Stock Grantee employed by an Affiliate will be considered to have terminated employment when such entity ceases to be an Affiliate.

Notwithstanding the foregoing, for purposes of an Award that is subject to Code Section 409A, if a Stock Grantee's termination of employment or service triggers the payment of compensation under such Award, then the Stock Grantee will be deemed to have terminated employment or service upon his or her "separation from service" within the meaning of Code Section 409A. Notwithstanding any other provision in this Award Agreement or an Award to the contrary, if any Stock Grantee is a "specified employee" within the meaning of Code Section 409A as of the date of his or her "separation from service" within the meaning of Code Section 409A, then, to the extent required by Code Section 409A, any payment made to the Stock Grantee on account of such separation from service shall not be made before a date that is six months after the date of the separation from service.

(c) *No Fractional Shares*. No fractional Shares or other securities may be issued or delivered pursuant to this Award Agreement, and the Company may determine whether cash, other securities or other property will be paid or transferred in lieu of any fractional Shares or other securities, or whether such fractional Shares or other securities or any rights to fractional Shares or other securities will be canceled, terminated or otherwise eliminated.

(d) *Awards Not Includable for Benefits Purposes*. This Award Agreement is unfunded and does not create, and should not be construed to create, a trust or separate fund with respect to this Award Agreement's benefits. This Award Agreement does not establish any fiduciary relationship between the Company and any Stock Grantee or other person. To the extent any person holds any rights by virtue of an Award granted under this Award Agreement, such rights are no greater than the rights of the Company's general unsecured creditors. Income recognized by a Stock Grantee pursuant to an Award shall not be included in the determination of benefits under any employee pension benefit plan (as such term is defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended) or group insurance or other benefit plans applicable to the Stock Grantee which are maintained by the Company or any Affiliate, except as may be provided under the terms of such plans or determined by resolution of the Board.

(e) *Requirements of Law and Securities Exchange*. The granting of Awards and the issuance of Shares in connection with an Award are subject to all applicable laws, rules and regulations and to such approvals by any governmental agencies or national securities exchanges as may be required. Notwithstanding any other provision of this Award Agreement, the Company has no liability to deliver any Shares under this Award Agreement or make any payment unless such delivery or payment would comply with all applicable laws and the applicable requirements of any securities exchange or similar entity, and unless and until the Stock Grantee has taken all actions required by the Company in connection therewith. The Company may impose such restrictions on any Shares issued under the Award Agreement as the Company determines necessary or desirable to comply with all applicable laws, rules and regulations or the requirements of any national securities exchanges.

(f) *Governing Law; Venue*. This Award Agreement, and all agreements under this Award Agreement, will be construed in accordance with and governed by the laws of the State of Delaware, without reference to any conflict of law principles. Any legal action or proceeding with respect to this Award Agreement, any Award or any award agreement, or for recognition and enforcement of any judgment in respect of this Award Agreement, any Award or any award agreement, may only be brought and determined in (i) a court sitting in the State of Delaware, and (ii) a "bench" trial, and any party to such action or proceeding shall agree to waive its right to a jury trial.

(g) *Limitations on Actions.* Any legal action or proceeding with respect to this Award Agreement, any Award or any award agreement, must be brought within one year (365 days) after the day the complaining party first knew or should have known of the events giving rise to the complaint.

(h) *Construction*. Whenever any words are used herein in the masculine, they shall be construed as though they were used in the feminine in all cases where they would so apply; and wherever any words are used in the singular or plural, they shall be construed as though they were used in the plural or singular, as the case may be, in all cases where they would so apply. Titles of sections are for general information only, and this Award Agreement is not to be construed with reference to such titles.

(i) *Severability*. If any provision of this Award Agreement or any award agreement or any Award (a) is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any person or Award, or (b) would disqualify this Award Agreement, any award agreement or any Award under any law the Company deems applicable, then such provision should be construed or deemed amended to conform to applicable laws, or if it cannot

be so construed or deemed amended without, in the determination of the Company, materially altering the intent of this Award Agreement, award agreement or Award, then such provision should be stricken as to such jurisdiction, person or Award, and the remainder of this Award Agreement, such award agreement and such Award will remain in full force and effect.

5. Definitions. **Capitalized terms used in this Award agreement have the following meanings:**

(a) "Affiliate" shall have the meaning given in Rule 12b-2 under the Exchange Act. Notwithstanding the foregoing, for purposes of determining those individuals to whom an Option or Stock Appreciation Right may be granted, the term "Affiliate" means any entity that, directly or through one or more intermediaries, is controlled by, controls, or is under common control with, the Company within the meaning of Code Sections 414(b) or (c); *provided* that, in applying such provisions, the phrase "at least 20 percent" shall be used in place of "at least 80 percent" each place it appears therein.

(b) "Award" means a grant of Restricted Stock.

(c) "Board" means the Board of Directors of the Company.

(d) "Cause" means any of the following as determined by the Company: (i) with respect to Stock Grantees other thanNon-Employee Directors, (A) the failure of the Stock Grantee to perform or observe any of the material terms or provisions of any written employment agreement between the Stock Grantee and the Company or its Affiliates or, if no written agreement exists, the gross dereliction of the Stock Grantee's duties (for reasons other than the Stock Grantee's Disability) with respect to the Company or its Affiliates; (B) the failure of the Stock Grantee to comply fully with the lawful directives of the Board or the board of directors of an Affiliate of the Company, as applicable, or the officers or supervisory employees to whom the Stock Grantee reports; (C) the Stock Grantee's dishonesty, misconduct, misappropriation of funds, or disloyalty or disparagement of the Company, any of its Affiliates or its management or employees; or (D) other proper cause determined in good faith by the Company; or (ii) with respect to Non-Employee Directors, (A) fraud or intentional misrepresentation; (B) embezzlement, misappropriation or conversion of assets or opportunities of the Company or any of its Affiliates; or (C) any other gross or willful misconduct as determined by the Committee, in its sole and conclusive discretion.

(e) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a specific provision of the Code includes any successor provision and the regulations promulgated under such provision.

(f) "Committee" means the Compensation Committee of the Board, or such other committee of the Board that is designated by the Board with the same or similar authority. The Committee shall consist only of Non-Employee Directors (not fewer than two (2)) who also qualify as Outside Directors to the extent necessary for the Award Agreement to comply with Rule 16b-3 promulgated under the Exchange Act or any successor rule and to permit Awards that are otherwise eligible to qualify as "performance-based compensation" under Section 162(m) of the Code to so qualify.

(g) “Company” means Generation Income Properties, Inc., a Maryland corporation, or any successor thereto.

(h) “Director” means a member of the Board; “Non-Employee Director” means a Director who is not also an employee of the Company or its Subsidiaries; and “Outside Director” means a Director who qualifies as an outside director within the meaning of Code Section 162(m).

(i) “Disability” means disability as defined in the Company’s long-term disability plan covering exempt salaried employees, except as otherwise determined by the Company and set forth in an Award agreement. The Company shall make the determination of Disability and may request such evidence of disability as it reasonably determines.

(j) “Dividend Equivalent Unit” means the right to receive a payment, in cash or Shares, equal to the cash dividends or other distributions paid with respect to a Share.

(k) “Exchange Act” means the Securities Exchange Act of 1934, as amended. Any reference to a specific provision of the Exchange Act includes any successor provision and the regulations and rules promulgated under such provision.

(l) “Fair Market Value” means, per Share on a particular date, the last sales price on such date on the national securities exchange on which the Stock is then traded, as reported in The Wall Street Journal, or if no sales of Stock occur on the date in question, on the last preceding date on which there was a sale on such exchange. If the Shares are not listed on a national securities exchange, but are traded in an over-the-counter market, the last sales price (or, if there is no last sales price reported, the average of the closing bid and asked prices) for the Shares on the particular date, or on the last preceding date on which there was a sale of Shares on that market, will be used. If the Shares are neither listed on a national securities exchange nor traded in an over-the-counter market, the price determined by the Company, in its discretion, will be used. If an actual sale of a Share occurs on the market, then the Company may consider the sale price to be the Fair Market Value of such Share.

(m) “Person” has the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, or any group of Persons acting in concert that would be considered “persons acting as a group” within the meaning of Treas. Reg. § 1.409A-3(i)(5).

(n) “Restricted Stock” means a Share that is subject to a risk of forfeiture or restrictions on transfer, or both a risk of forfeiture and restrictions on transfer.

(o) “Retirement” means termination of employment or service with the Company and its Affiliates on or after the date the Stock Grantee has both attained age sixty (60) and completed ten (10) years of service with the Company and its Affiliates.

(p) “Section 16 Stock Grantees” means Stock Grantees who are subject to the provisions of Section 16 of the Exchange Act.

(q) “Share” means a share of Stock.

(r) “Stock” means the Common Stock, par value $0.01, of the Company.

(s) “Subsidiary” means any corporation, limited liability company or other limited liability entity in an unbroken chain of entities beginning with the Company if each of the entities (other than the last entities in the chain) owns the stock or equity interest possessing more than fifty percent (50%) of the total combined voting power of all classes of stock or other equity interests in one of the other entities in the chain.

BY SIGNING BELOW AND ACCEPTING THIS RESTRICTED STOCK AWARD AGREEMENT, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED HEREIN. YOU ALSO ACKNOWLEDGE HAVING READ THIS AGREEMENT.

GENERATION INCOME PROPERTIES, INC.

By: _____
[Name of Authorized Officer]

_____
[Name of Recipient]

Date: _____

Exhibit 10.21

INDEMNIFICATION AGREEMENT
(Officer)

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the_____ day of _____, _____, by and between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and _____ ("Indemnitee").

WHEREAS, at the request of the Company, Indemnitee currently serves as an officerof the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of Indemnitee's service; and

WHEREAS, as an inducement to Indemnitee to continue to serve as an officer, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnitee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "Change in Control" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if, after the Effective Date (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of all of the Company's then-outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such person's attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two-thirds of the members of the Board of Directors then in office, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not individuals (A) who were directors as of the Effective Date or (B) whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by the affirmative vote of at least two-thirds of the directors then in office who were directors as of the Effective Date or whose election for nomination for election was previously so approved.

(b) “Corporate Status” means the status of a person as a present or former director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company. As a clarification and without limiting the circumstances in which Indemnitee may be serving at the request of the Company, service by Indemnitee shall be deemed to be at the request of the Company if Indemnitee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise (i) of which a majority of the voting power or equity interest is owned directly or indirectly by the Company or (ii) the management of which is controlled directly or indirectly by the Company.

(c) “Disinterested Director” means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnitee.

(d) “Effective Date” means the date set forth in the first paragraph of this Agreement.

(e) “Expenses” means any and all reasonable and out-of-pocket attorneys’ fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties and any other disbursements or expenses incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding. Expenses shall also include Expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent.

(f) “Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement.

(g) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative (formal or informal) nature, including any appeal therefrom, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding.

Section 2. Services by Indemnitee. Indemnitee serves as an officerof the Company. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee's service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent permitted by Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the Maryland General Corporation Law (the "MGCL").

Section 4. Standard for Indemnification. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify Indemnitee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any such Proceeding unless it is established that (a) the act or omission of Indemnitee was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnitee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnitee shall not be entitled to:

(a) indemnification hereunder if the Proceeding was one by or in the right of the Company and Indemnitee is adjudged to be liable to the Company;

(b) indemnification hereunder if Indemnitee is adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnitee, whether or not involving action in the Indemnitee's Corporate Status; or

(c) indemnification or advance of Expenses hereunder if the Proceeding was brought by Indemnitee, unless: (i) the Proceeding was brought to enforce indemnification under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement, or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court-Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnitee and such notice as the court shall require, may order indemnification of Indemnitee by the Company in the following circumstances:

(a) if such court determines that Indemnitee is entitled to reimbursement underSection 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnitee shall be entitled to recover the Expenses of securing such reimbursement; or

(b) if such court determines that Indemnitee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnitee (i) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper. However, indemnification with respect to any Proceeding by or in the right of the Company or in which liability shall have been adjudged in the circumstances described in Section 2-418(c) of the MGCL shall be limited to Expenses.

Section 7. Indemnification for Expenses of an Indemnitee Who is Wholly or Partially Successful Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee was or is, by reason of Indemnitee's Corporate Status, made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, Indemnitee shall be indemnified for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee under this Section 7 for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7 and, without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advance of Expenses for Indemnitee. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnitee's ultimate entitlement to indemnification hereunder, advance all reasonable Expenses incurred by or on behalf of Indemnitee in connection with such Proceeding within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall

reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written affirmation by Indemnitee of Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by this Agreement has been met and a written undertaking by or on behalf of Indemnitee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion of any Expenses advanced to Indemnitee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met by Indemnitee and which have not been successfully resolved as described in Section 7 of this Agreement. To the extent that Expenses advanced to Indemnitee do not relate to a specific claim, issue or matter in the Proceeding, such Expenses shall be allocated on a reasonable and proportionate basis. The undertaking required by this Section 8 shall be an unlimited general obligation by or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advance of Expenses as a Witness or Proceeding Participant Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is or may be, by reason of Indemnitee's Corporate Status, made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other party, and to which Indemnitee is not a party, Indemnitee shall be advanced all reasonable Expenses and indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. Indemnitee may submit one or more such requests from time to time and at such time(s) as Indemnitee deems appropriate in Indemnitee's sole discretion. The officer of the Company receiving any such request from Indemnitee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval shall not be unreasonably withheld; or (ii) if a Change in Control shall not have occurred, (A) by the Board of Directors by a majority vote of a quorum consisting

of Disinterested Directors or, if such a quorum cannot be obtained, then by a majority vote of a duly authorized committee of the Board of Directors consisting solely of one or more Disinterested Directors, (B) if Independent Counsel has been selected by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by a majority of the members of the Board of Directors, by the stockholders of the Company. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

(c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of *nolo contendere* or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification or advance of Expenses. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought by Indemnitee to enforce Indemnitee's rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnitee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification.

(d) In the event that Indemnitee, pursuant to this Section 12, seeks a judicial adjudication of or an award in arbitration to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company for, any and all Expenses actually and reasonably incurred by Indemnitee in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that Indemnitee is entitled to receive part but not all of the indemnification or advance of Expenses sought, the Expenses incurred by Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

(e) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period (i) commencing with either the tenth day after the date on which the Company was requested to advance Expenses in accordance with Section 8 of this Agreement or the 60th day after the date on which the Company was requested to make the determination of entitlement to indemnification under Section 12(a) above and (ii) ending on the date such payment is made to Indemnitee by the Company.

Section 13. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 13(b) and of Section 13(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to indemnification hereunder; provided, however, that the Company shall notify Indemnitee of any such decision to defend within 15 calendar days following receipt of notice of any such Proceeding under Section 13(a) above. The Company shall not, without the prior written consent of Indemnitee, which shall not be unreasonably withheld or delayed, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) would impose any Expense, judgment, fine, penalty or limitation on Indemnitee. This Section 13(b) shall not apply to a Proceeding brought by Indemnitee under Section 12 of this Agreement.

(c) Notwithstanding the provisions of Section 13(b) above, if in a Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that Indemnitee may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that an actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld, at the expense of the Company (subject to Section 12(d) of this Agreement), to represent Indemnitee in connection with any such matter.

Section 14. Non-Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws of the Company, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or 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 or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 15. Insurance. The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of Indemnitee's Corporate Status and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of Indemnitee's Corporate Status; provided that such insurance may, but shall not be required to, include employed lawyers professional liability coverage. Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee arising out of the amount of any deductible or retention and the amount of any excess of the aggregate of all judgments, penalties, fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in the previous sentence. The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise) the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

Section 16. Coordination of Payments. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 17. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 18. Duration of Agreement; Binding Effect.

(a) This Agreement shall continue until and terminate on the later of (i) the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(b) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the

Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(c) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(d) The Company and Indemnitee agree hereby that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 19. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 20. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 21. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 22. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 23. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, on the day of such delivery, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to the address set forth on the signature page hereto.

(b) If to the Company, to:

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
Attn: President

or to such other address as may have been furnished in writing to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 24. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

Section 25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

GENERATION INCOME PROPERTIES, INC.

By: _____
Name:
Title:

INDEMNITEE

_____
Name: _____
Address:

EXHIBIT A

FORM OF AFFIRMATION AND UNDERTAKING TO REPAY EXPENSES ADVANCED

To: The Board of Directors of Generation Income Properties, Inc.

Re: Undertaking to Repay Expenses Advanced

Ladies and Gentlemen:

This affirmation and undertaking is being provided pursuant to that certain Indemnification Agreement dated the_____ day of _____, 20____, by and between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good faith belief that at all times, insofar as I was involved as an officer of the Company, in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related Expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this____ day of _____, 20____.

Name: _____

Exhibit 10.22

INDEMNIFICATION AGREEMENT
(Director and Officer)

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the_____ day of _____ , _____, by and between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and _____ ("Indemnitee").

WHEREAS, at the request of the Company, Indemnitee currently serves as a director and officerof the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of Indemnitee's service; and

WHEREAS, as an inducement to Indemnitee to continue to serve as a director and officer, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnitee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "Change in Control" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if, after the Effective Date (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of all of the Company's then-outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such person's attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two-thirds of the members of the Board of Directors then in office, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not individuals (A) who were directors as of the Effective Date or (B) whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by the affirmative vote of at least two-thirds of the directors then in office who were directors as of the Effective Date or whose election for nomination for election was previously so approved.

(b) “Corporate Status” means the status of a person as a present or former director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company. As a clarification and without limiting the circumstances in which Indemnitee may be serving at the request of the Company, service by Indemnitee shall be deemed to be at the request of the Company if Indemnitee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise (i) of which a majority of the voting power or equity interest is owned directly or indirectly by the Company or (ii) the management of which is controlled directly or indirectly by the Company.

(c) “Disinterested Director” means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnitee.

(d) “Effective Date” means the date set forth in the first paragraph of this Agreement.

(e) “Expenses” means any and all reasonable and out-of-pocket attorneys’ fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties and any other disbursements or expenses incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding. Expenses shall also include Expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent.

(f) “Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement.

(g) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative (formal or informal) nature, including any appeal therefrom, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding.

Section 2. Services by Indemnitee. Indemnitee serves as a director and officerof the Company. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee's service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent permitted by Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the Maryland General Corporation Law (the "MGCL").

Section 4. Standard for Indemnification. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify Indemnitee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any such Proceeding unless it is established that (a) the act or omission of Indemnitee was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnitee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnitee shall not be entitled to:

(a) indemnification hereunder if the Proceeding was one by or in the right of the Company and Indemnitee is adjudged to be liable to the Company;

(b) indemnification hereunder if Indemnitee is adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnitee, whether or not involving action in the Indemnitee's Corporate Status; or

(c) indemnification or advance of Expenses hereunder if the Proceeding was brought by Indemnitee, unless: (i) the Proceeding was brought to enforce indemnification under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement, or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court-Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnitee and such notice as the court shall require, may order indemnification of Indemnitee by the Company in the following circumstances:

(a) if such court determines that Indemnitee is entitled to reimbursement underSection 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnitee shall be entitled to recover the Expenses of securing such reimbursement; or

(b) if such court determines that Indemnitee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnitee (i) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper. However, indemnification with respect to any Proceeding by or in the right of the Company or in which liability shall have been adjudged in the circumstances described in Section 2-418(c) of the MGCL shall be limited to Expenses.

Section 7. Indemnification for Expenses of an Indemnitee Who is Wholly or Partially Successful Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee was or is, by reason of Indemnitee's Corporate Status, made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, Indemnitee shall be indemnified for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee under this Section 7 for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7 and, without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advance of Expenses for Indemnitee. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnitee's ultimate entitlement to indemnification hereunder, advance all reasonable Expenses incurred by or on behalf of Indemnitee in connection with such Proceeding within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall

reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written affirmation by Indemnitee of Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by this Agreement has been met and a written undertaking by or on behalf of Indemnitee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion of any Expenses advanced to Indemnitee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met by Indemnitee and which have not been successfully resolved as described in Section 7 of this Agreement. To the extent that Expenses advanced to Indemnitee do not relate to a specific claim, issue or matter in the Proceeding, such Expenses shall be allocated on a reasonable and proportionate basis. The undertaking required by this Section 8 shall be an unlimited general obligation by or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advance of Expenses as a Witness or Proceeding Participant Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is or may be, by reason of Indemnitee's Corporate Status, made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other party, and to which Indemnitee is not a party, Indemnitee shall be advanced all reasonable Expenses and indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. Indemnitee may submit one or more such requests from time to time and at such time(s) as Indemnitee deems appropriate in Indemnitee's sole discretion. The officer of the Company receiving any such request from Indemnitee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval shall not be unreasonably withheld; or (ii) if a Change in Control shall not have occurred, (A) by the Board of Directors by a majority vote of a quorum consisting

of Disinterested Directors or, if such a quorum cannot be obtained, then by a majority vote of a duly authorized committee of the Board of Directors consisting solely of one or more Disinterested Directors, (B) if Independent Counsel has been selected by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by a majority of the members of the Board of Directors, by the stockholders of the Company. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

(c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of *nolo contendere* or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification or advance of Expenses. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought by Indemnitee to enforce Indemnitee's rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnitee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification.

(d) In the event that Indemnitee, pursuant to this Section 12, seeks a judicial adjudication of or an award in arbitration to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company for, any and all Expenses actually and reasonably incurred by Indemnitee in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that Indemnitee is entitled to receive part but not all of the indemnification or advance of Expenses sought, the Expenses incurred by Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

(e) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period (i) commencing with either the tenth day after the date on which the Company was requested to advance Expenses in accordance with Section 8 of this Agreement or the 60th day after the date on which the Company was requested to make the determination of entitlement to indemnification under Section 12(a) above and (ii) ending on the date such payment is made to Indemnitee by the Company.

Section 13. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 13(b) and of Section 13(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to indemnification hereunder; provided, however, that the Company shall notify Indemnitee of any such decision to defend within 15 calendar days following receipt of notice of any such Proceeding under Section 13(a) above. The Company shall not, without the prior written consent of Indemnitee, which shall not be unreasonably withheld or delayed, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) would impose any Expense, judgment, fine, penalty or limitation on Indemnitee. This Section 13(b) shall not apply to a Proceeding brought by Indemnitee under Section 12 of this Agreement.

(c) Notwithstanding the provisions of Section 13(b) above, if in a Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that Indemnitee may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld, that an actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld, at the expense of the Company (subject to Section 12(d) of this Agreement), to represent Indemnitee in connection with any such matter.

Section 14. Non-Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws of the Company, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or 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 or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 15. Insurance. The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of Indemnitee's Corporate Status and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of Indemnitee's Corporate Status; provided that such insurance may, but shall not be required to, include employed lawyers professional liability coverage. Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee arising out of the amount of any deductible or retention and the amount of any excess of the aggregate of all judgments, penalties, fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in the previous sentence. The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise) the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

Section 16. Coordination of Payments. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 17. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 18. Duration of Agreement; Binding Effect.

(a) This Agreement shall continue until and terminate on the later of (i) the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(b) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the

Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(c) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(d) The Company and Indemnitee agree hereby that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 19. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 20. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 21. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 22. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 23. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, on the day of such delivery, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to the address set forth on the signature page hereto.

(b) If to the Company, to:

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
Attn: President

or to such other address as may have been furnished in writing to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 24. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

Section 25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

GENERATION INCOME PROPERTIES, INC.

By: _____
Name:
Title:

INDEMNITEE

_____
Name: _____
Address:

EXHIBIT A

FORM OF AFFIRMATION AND UNDERTAKING TO REPAY EXPENSES ADVANCED

To: The Board of Directors of Generation Income Properties, Inc.

Re: Undertaking to Repay Expenses Advanced

Ladies and Gentlemen:

This affirmation and undertaking is being provided pursuant to that certain Indemnification Agreement dated the _____ day of _____, 20____, by and between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good faith belief that at all times, insofar as I was involved as a director and/or officer of the Company, in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related Expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this ___ day of _____, 20____.

Name: _____

Property Management Agreement

Tuesday, October 22, 2019
Generation Income Properties Inc.
Attn: David Sobelman
401 E. Jackson St.
Suite 3300
Tampa, FL 33602

Mr. David Sobelman:

We are pleased to confirm the arrangements (this "Agreement") under which 3 Properties LLC, ("Agent") will act as the property manager for Generation Income Properties Inc., and its affiliates listed in Exhibit B ("Owner") and the properties listed in Exhibit B (attached hereto) and their corresponding entities (each a "Property" and together the "Properties") as of October 01, 2019 (the "Effective Date") upon the terms and in consideration of the mutual covenants herein set forth:

1. Term and Termination:

   a) This Agreement is for a minimum of one (1) year commencing on the Effective Date and thereafter this Agreement shall automatically renew on each anniversary of the Effective Date, unless terminated in writing delivered by either party hereto to the other party hereto at least 60 days in advance of the applicable anniversary of the Effective Date (the "Term").

   b) Either party may terminate this Agreement upon 90 days written notice to the other party with or without "cause;" upon termination of this Agreement the Owner shall pay to the Agent any amounts earned but unpaid for Services performed on or before the date of such termination. For purposes of this Agreement "cause" shall mean: (i) the Agent's conviction, pleading guilty or no contest with respect to a felony; (ii) the Agent's engagement in misconduct that is materially detrimental to the Owner's reputation or business; or (iii) the Agent's material breach of this Agreement, in each case, as determined by a final, non-appealable judicial decision.

   c) In the event of termination of this Agreement, the parties shall account to each other with respect to all matters outstanding as of the date of termination. The Owner shall furnish the Agent with a release of liability or a hold harmless agreement for and against any outstanding obligations or liabilities which the Agent may have incurred on behalf of the Owner under this Agreement

2. Compensation: During the Term, Agent shall receive from Owner the following compensation:

   a) The asset management fee shall be 1.50% of gross monthly rents received from the Properties listed in Exhibit B (the "Management Fee"). Properties listed in Exhibit B may be amended from time to time in the event of a sale of Property or purchase of new property. Management Fee and any additional amounts based upon fees and reimbursements shall be payable monthly in arrears, within five (5) calendar days following the last day of each calendar month. The Management Fee will be based on the gross rent received (excluding reimbursements for direct expenses) on the date billed. Agent shall be responsible for the management of projects for the improvement, repair, legal compliance and alteration of the Properties and Agent shall charge $125.00 per hour for work performed (i) outside Agents scope of "Services" including overseeing work performed by Agent's outside agents and building technicians; or (ii) where the cost of a project is greater than $5,000.00 (to cover additional time and effort by Agent engaging or supervising vendors and coordinating repair schedules with tenant schedules).

   b) Final payment of third party expenses by Owner shall relieve Agent of responsibility for faulty, defective, or recalled materials or workmanship, provided that Agent's vendors hold commercial insurance at a sufficient amount to protect both Agent and Owner. If requested by Owner, Agent shall furnish in connection with each request or invoice for payment statutory unconditional lien waiver and release forms executed and notarized by vendors performing such work and all other individuals and entities which may have lien rights. Any payment made under this Agreement shall not be construed as evidence of acceptance of any part of the Services.

3. Scope of Work: Agent will provide the Services as outlined in Exhibit A and in the manner set forth in this Section 3 (the "Services").

   a) Agent acknowledges and agrees that the terms and conditions of this Agreement will govern in all respects the Services provided by Agent, regardless of any contrary or competing terms or conditions contained in any proposal or other form provided by Agent, any subcontractor, or any other party relating to the Services to the extent they are inconsistent with any provision of this Agreement or limit the scope of any indemnity or other liability of Agent. The inclusion by reference in this Agreement of any proposal, order, invoice, request for proposal, or other document provided or prepared by Agent or any subcontractor is merely for convenience of identification of the scope of services or materials provided and any and all other such terms and conditions are expressly not incorporated nor valid for any purpose to the extent they contradict this Agreement. Without limiting the foregoing, this provision shall not pertain to any insurance policy, certificate, or other document required in connection with Agent's indemnity obligations herein.

   b) The Agent, in accepting the management of the Properties, will perform his/her/its duties as herein provided, using his/her/its commercially reasonable judgment, efforts and ability relative to the following and/or the Services described in Exhibit A, for and on behalf of the Owner and at Owner's sole expense. Owner acknowledges that the "Services" do not include collection of rent or payment of invoices relating to the Properties or the actual providing of physical maintenance and repair work at the Properties.

   c) Agent shall be free of responsibility for any delays, in the event Owner notifies Agent in writing that it is necessary, in the judgment of Owner, that Agent delays its work in connection to any repair or maintenance of Property being managed by Agent.

   d) Agent may designate an agent representative for the Property, and may change the identity of the agent representative at any time. Agent representative may assist Agent in coordinating the functions and services of Agent hereunder, and shall perform certain Agent functions and services required to be performed by Agent hereunder. Agent representative shall be an agent of Agent. Notwithstanding the foregoing, all obligations of Agent representative hereunder shall be obligations of Agent hereunder.

e) Any changes or modifications regarding the Services or compensation must be in writing and approved by the Owner in writing before additional items are supplied.

4. Expenses: Except under circumstances defined in Section 5, the Agent shall not incur any single expense in connection to any repair, alteration, decoration cost, purchase or replacement of equipment or chattels and/or the engagement of any service providers which may include but not be limited to attorneys, accountants, insurance servicers or other third-party contractors in excess of $500.00, without the prior written consent of the Owner.

5. Emergency Authority: It is expressly agreed that notwithstanding anything herein contained to the contrary, whenever Agent is required to obtain the written consent of Owner prior to the taking of any action under the terms of this Agreement, Agent may act, at Owner's expense, without obtaining the written consent of Owner if an emergency exists such that under the circumstances a delay in Agent's action would be imprudent and not in the best interests of Owner. In any such situation, Agent shall notify Owner as soon as reasonably practicable (initially, such notice to Owner shall be by telephone and email, and provide Owner with an explanation of such emergency and any action taken on the part of Agent in response to such Emergency in reasonable detail. The consent of Owner shall be confirmed as soon as reasonably practicable. Any cost incurred by Agent in connection to this Section 5 shall be paid for by Owner, whether or not covered by insurance, within ten (10) calendar days of billing.

6. Records: The Agent agrees at all times to keep and maintain, in accordance with customary business practices, suitable records and receipts pertaining to the supervision, management, care and operation of the Properties in connection with the Services, including all correspondence and data pertaining to, or in any matter related to the Properties, and to permit Owner to inspect said records and other matters and to make copies or extracts therefrom, during the Term and within one (1) year of the expiration or termination of this Agreement.

7. Quarterly Status Reports: Owner and Agent shall each, on a quarterly basis, review the status of the Properties including any Properties in need of Owner's attention, by way of email/ letter/ phone/ photos, as reasonably agreed upon by the parties. Owner shall be consulted on a regular basis as to any major deficiencies (e.g., expenses in excess of $500.00).

8. Insurance and Indemnity:

a) Owner shall carry, at its expense, commercial liability insurance and worker's compensation insurance (if Owner has employees) to protect the interests of Owner and Agent, who shall be named as an additional insured, under this agreement. Owner shall provide Agent with a certificate of insurance evidencing such coverage. The commercial liability insurance coverage shall have minimum limits of $2,000,000 including premises/operations, products/completed operations, independent contractors, advertising liability, personal injury liability and contractual liability. All such insurance shall be primary, except with respect to the Agent's breach of this Agreement or its gross negligence or willful misconduct, in which event Agent's insurance shall be primary.

b) Agent represents and warrants to Owner that Agent will maintain at all times during the Agreement general liability insurance insuring Agent and Owner in the amount of at least $1,000,000 against any claim or liability from third parties arising out of Agent's acts or omissions under this Agreement. Agent shall name Owner as additional insured on Agent's insurance policy and provide Owner annually with a certificate of insurance and a copy of the endorsement showing that Agent's insurance policy has been modified to add Owner as additional insured in accordance with Appendix A (attached).

c) Agent agrees to indemnify, defend, and hold Owner harmless from and against any and all liability, loss, cost, damage or expense imposed upon or asserted against Owner (except to the extent covered by Agent's or Owner's insurance or required to be carried by Owner hereunder) arising from Agent's willful material breach of this Agreement or its gross negligence or willful misconduct; provided, however, that in no event shall the indemnity provided under this Section extend to any Loss if and to the extent the same is caused by the gross negligence or willful misconduct of Owner or its agents or employees. If any person or entity makes a claim or institutes a suit against Owner on a matter for which Owner claims the benefit of the foregoing indemnification, then: (a) Owner shall give Agent prompt notice (no more than 3 business days) thereof in writing; (b) Agent may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Owner; (c) neither Owner nor Agent shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release Owner or Agent from any liability to the other for a willful breach of any of the covenants agreed to be performed under the terms of this Agreement.

d) Owner agrees to indemnify, defend, and hold Agent harmless from and against any and all liability, loss, cost, damage or expense (except to the extent covered by insurance carried by Agent or Owner or required to be carried by Agent hereunder) imposed upon or asserted against Agent related to or in connection with the Properties, except as may be due to Agent's breach of this Agreement or its gross negligence or willful misconduct. If any person or entity makes a claim or institutes a suit against Agent on a matter for which Agent claims the benefit of the foregoing indemnification, then: (a) Agent shall give Owner prompt notice thereof in writing; (b) Owner may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Agent; (c) neither Agent nor Owner shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release Owner or Agent from any liability to the other for a willful breach of any of the covenants agreed to be performed under the terms of this Agreement.

9. Time of Essence: The parties agree that time is of the essence with respect to the deadlines set forth in, and the term of, this Agreement.

10. Liens: This Agreement shall not create an interest in real property and it shall not be recorded in the public records of any jurisdiction. Notwithstanding anything to the contrary contained herein, Agent shall not be entitled to place, file, or record a lien upon the Properties on account of any sums alleged to be due and payable to Agent.

11. Attorney Fees: If Owner or Agent initiates a litigation, arbitration, mediation or similar proceeding to decide an issue relating to the performance or implementation of this Agreement, the losing party shall be liable to the prevailing party for reasonable attorneys' fees and costs of suit. The attorneys' fee award shall not necessarily be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all reasonable attorneys' fees reasonably incurred in good faith. The unenforceability, invalidity or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal.

12. Severability: If any provision of this Agreement is held to be unenforceable by a court or arbitrator, the remaining provisions shall remain valid, binding and in full force to the maximum extent possible. If a court determines that any portion of this Agreement is overbroad or unreasonable, such provision shall be given effect to the maximum extent possible by narrowing or enforcing in part that aspect of the provision found overbroad or unenforceable.

13. Notices: All notices and other communications required by this Agreement must be in writing. Notice to the Owner shall be sent to:

Generation Income Properties Inc.
Attn: David Sobelman
401 E. Jackson St.
Suite 3300
Tampa, FL 33602
Email: ds@gipreit.com

Notice to the Agent shall be sent to:

3 Properties LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602
Email: nshaffer@3-properties.com

Notices delivered by hand, facsimile, or electronic mail shall be deemed received on the date delivered; notices delivered by certified or registered mail, return receipt requested, shall be deemed received on the date received.

14. Governing Law: This Agreement shall be governed by the laws of the State of Florida.

15. Force Majeure: Notwithstanding anything to the contrary contained in this Agreement, in the event that Agent or Owner shall be delayed or hindered in or prevented from the performance of any act required under this Agreement (other than the payment of any monetary obligation) by reason of Force Majeure, then the performance of such act shall be excused for the period of delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. A Force Majeure delay shall be deemed to exist only if Owner or Agent, as the case may be, notifies the other party of such delay in writing with reasonable promptness, together with an explanation of the nature or cause of the delay; provided, however, that any delay in so notifying the other party of any event of Force Majeure shall not negate such event of Force Majeure but shall shorten the period thereof to the extent that such other party was prejudiced by the delay in giving such notice.

16. Taxes: The Owner shall not make any deduction with respect to the Agent or the Agent's agents or employees for any payroll taxes, contributions for unemployment or workers' compensation insurance, or old age pensions, annuities or other benefits which are customarily measured by wages, salaries or other compensation paid to an employee. The Agent understands and agrees that the Agent shall be solely responsible for paying, according to law, all applicable federal, state and local income and withholding tax obligations or contributions imposed by Social Security, unemployment insurance or workers' compensation insurance in connection with this Agreement on behalf of the Agent or the Agent's agents or employees, if any.

17. Independent Contractor Relationship: The Agent shall at all times be acting and performing as an independent contractor to the Owner and nothing contained herein shall cause the relationship between the parties to this Agreement (or their respective employees, agents, or principals, as applicable) to be that of employer and employee. The Agent shall not have the right or authority to obligate or bind the Owner to any contract, obligation, responsibility or undertaking whatsoever, and the Agent shall make no representation or warranty, oral or written, express or implied, to that effect.

18. Binding Effect: Nothing in this Agreement shall be deemed to create any right in any person not a party hereto (other than as expressly provided herein and the permitted successors and assigns of a party hereto) and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party (except as aforesaid).

19. Entire Agreement: This Agreement (together with all attachments and appendices) represents the entire understanding and agreement among the parties, and supersedes all prior negotiations, representations and agreements, whether written or oral, with respect to the subject matter hereof or thereof. This Agreement may be amended, modified or supplemented only by the written agreement of the parties hereto.

20. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Signatures transmitted via facsimile, or PDF format through email, shall be considered authentic and binding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

AGENT		OWNER	
By:	David Sobelman	By:	/s/ David Sobelman
Signature:	/s/ David Sobelman	Signature:	David Sobelman
Title:	President	Title:	Owner

Exhibit A

Asset Management Services (the "Services")

1. Review leases in connection to all Properties and provide Owner with lease abstracts within 30 days following the Effective Date of the Agreement.
2. Generate quarterly summary of activities related to each Property.
3. Provide tenant relations and maintain a communication system in which representatives from Owner, tenants, representatives of Owner and/or government officials can use to contact Agent on a regular basis and in case of emergencies. Submit invoices for property taxes and insurance to Owner for payment. Submit proof of payment to tenant for reimbursement and perform all reconciliations as necessary.
4. Source and solicit as necessary, service providers (attorney's accountants, lenders, brokers etc.) as well as vendors for maintenance and repairs in connection to Properties. As applicable, submit proposals and bids to Owner for approval.
5. Management of work projects for the improvement, repair, legal compliance and alteration of any Property subject to Section 2(b) of this Agreement.
6. Annual inspection of building exterior, lighting, signage, refuse enclosure, and common area of Properties. Annual inspection of the roof. Verbal communication with tenants is expected during visits.
    a. Minimum of 1 visit per annum including (1) Lighting Inspection, (1) HVAC inspection, and (1) roof inspection.
7. Submit written property status report with photos of the Properties on an annual basis, including but not limited to, the following issues when applicable:
    a. Tenant concerns
    b. Overall Properties condition (i.e. update on recent repairs, assessment of vendor work)
    c. Recommendations for improvement of facility, landscaping, and/or tenant and vendor relations.

Exhibit B

"Properties"

Tenant	Street Address	Current Rent	City	State	Zip Code
NAVSEA	2510 Walmer Ave	$ 886,181.76	Norfolk	VA	23510
MAERSK	2510 Walmer Ave.	$ 353,949.72	Norfolk	VA	23510
PRA Holding Inc.	130 Corporate Blvd	$ 710,555.88	Norfolk	VA	23502

"Properties"
Entity Names

NAVSEA/Maersk – GIPVA 2510 Walmer Ave, LLC.

Rent Roll - Lease Charges

Property: 303 (GIPVA 2510 Walmer Ave, LLC) Lease Type: All Selected Lease Types Lease: All Selected Leases As of Date: 09/30/2019 Amounts: Monthly Contracted Area: 72,149.00

All Amounts = Monthly

Lease ID	Lease Type	Unit	Lease From	Lease To	Total Lease	Deposit	Charge Code	Date From	Date to	Amount	Annual Amount	Annual Amt per Area	Floor
GSA GS-03P-LVA12093	NNN Office	AB	09/17/2013	09/16/2028	49,902	0.00	mt	09/17/19	09/16/23	73,848.48	886,181.76	17.76	
		AB					mt	09/17/23	09/16/28	73,539.69	882,476.28	17.68	
Maersk Line, Limited	Office	c	12/19/2016	01/18/2022	22,247	0.00	mt	01/01/19	12/31/19	29,495.81	353,949.72	15.91	
		c					mt	01/01/20	12/31/20	30,385.69	364,628.28	16.39	
		c					mt	01/01/21	01/18/22	31,924.11	383,089.32	17.22	
	Current Totals:				**72,149**	**$ 0.00**				**$103,344.29**	**$1,240,131.48**	**$ 17.19**	

PRA Holding – GIPVA 130 Corporate Blvd, LLC

Rent Roll - Lease Charges

Property: 304 (GIPVA 130 Corporate Blvd, LLC) Lease Type: All Selected Lease Types Lease: All Selected Leases As of Date: 09/30/2019 Amounts: Monthly Contracted Area: 34,847.00

All Amounts = Monthly

Lease ID	Lease Type	Unit	Lease From	Lease To	Total Lease	Deposit	Charge Code	Date From	Date To	Amount	Annual Amount	Annual Amt per Area	Floor
PRA Group, Inc.	Office	100	09/01/2007	09/31//2027	34,847	0.00	mt	09/01/19	08/31/20	59,212.99	710,555.88	20.39	
		100					mt	09/01/20	08/31/21	60,101.19	721,214.28	20.70	
		100					mt	09/01/21	08/31/22	61,002.71	732,032.52	21.01	
		100					mt	09/01/22	08/31/23	61,917.75	743,013.00	21.32	
		100					mt	09/01/23	08/31/24	63,775.29	765,303.48	21.96	
		100					mt	09/01/24	08/31/25	64,731.92	776,783.04	22.29	
		100					mt	09/01/25	08/31/26	65,702.90	788,434.80	22.63	
		100					mt	09/01/26	08/31/27	66,688.45	800,261.40	22.97	
	Current Totals				**34,847**	**$ 0.00**				**$59,212.99**	**$710,555.88**	**$ 20.39**	

Appendix A

SPECIFIC VENDOR INSURANCE REQUIREMENTS

All coverage must be placed with a BEST'S "A" RATED CARRIER, any lower rating will not be accepted

General Liability	$1,000,000	Combined Single Limit per occurrence (Contractual Liab., Fire & Water Legal Liab., and Cross Liab. & Severability of Interest clause) Note: may be in combination with umbrella or excess policy.
Workers Compensation	$1,000,000	Statutory limits set forth by the law of the State of Florida
Umbrella or Excess Liability		

SPECIFIC ENDORSEMENTS REQUIRED

1) Additional Insured Endorsement "HARD COPY" must be attached to certificate naming the following Additional Insured as respects to General liability:

*Additional Insured: 3 Properties, LLC
*Certificate Holder: 3 Properties, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602

1. Primary Wording Clauses stating Additional Insured(s) insurance is non-contributing with any other insurance

OR

the following statement may be provided: It is further agreed that such insurance as is afforded by this policy for the benefit of the additional insured(s) shown above shall be primary insurance, but only as respects any claims, loss or liability arising out of the operations of the named insured or from occupancy, maintenance or use of the premises by the named insured and any insurance maintained by the additional insured(s) shall be non-contributing.

2. 30-day Notice of Cancellation:

3. Waiver of Subrogation on Workers Compensation AND Waiver of Subrogation on General Liability

OR

the following statement may be provided: WAIVER OF RIGHTS OF RECOVERY—The carrier will not apply the Recovering Damages from a Third Party rule when a contract specifies that the carrier waive their subrogation rights. The carrier will only waive their subrogation rights PRIOR to the occupancy or the actual loss or damage.

4. NOTE to UNDERWRITER: If waiver(s) is not able to be provided immediately, please send a memo stating that waiver will follow upon approval and completion, OR have carrier provide a statement that they cannot comply with this request.)

_____

A. PLEASE EMAIL A COPY OF THE CERTIFICATE & ENDORSEMENT TO:

Noah Shaffer
nshaffer@3-properties.com

B. PLEASE MAIL THE ORIGINAL CERTIFICATE & ENDORSEMENT TO:

3 PROPERTIES, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602

INVOICE PROCEDURE

A. All vendors must submit W-9 and insurance.

B. Monthly Service Invoice. Submit your monthly invoice by the 10th day of every month as stated on the vendor agreement “Conditions to Payment”. Payment will be processed before the end of the service month. Please allow up to 2 weeks for payment to arrive after it has been processed.

C. Repair and/or Maintenance Invoice. Invoice shall be submitted after the project has been completed.

D. Before and After pictures of project should be included with Invoice.

E. Bill to:

3 Properties, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
(813) 448-1234 Phone

Property Management Agreement

Tuesday, October 22, 2019
Generation Income Properties Inc.
Attn: David Sobelman
401 E. Jackson St.
Suite 3300
Tampa, FL 33602

Mr. David Sobelman:

We are pleased to confirm the arrangements (this "Agreement") under which 3 Properties LLC, ("Agent") will act as the property manager for Generation Income Properties Inc., and its affiliates listed in Exhibit B ("Owner") and the properties listed in Exhibit B (attached hereto) and their corresponding entities (each a "Property" and together the "Properties") as of October 01, 2019 (the "Effective Date") upon the terms and in consideration of the mutual covenants herein set forth:

1. Term and Termination:

   a) This Agreement is for a minimum of one (1) year commencing on the Effective Date and thereafter this Agreement shall automatically renew on each anniversary of the Effective Date, unless terminated in writing delivered by either party hereto to the other party hereto at least 60 days in advance of the applicable anniversary of the Effective Date (the "Term").

   b) Either party may terminate this Agreement upon 90 days written notice to the other party with or without "cause;" upon termination of this Agreement the Owner shall pay to the Agent any amounts earned but unpaid for Services performed on or before the date of such termination. For purposes of this Agreement "cause" shall mean: (i) the Agent's conviction, pleading guilty or no contest with respect to a felony; (ii) the Agent's engagement in misconduct that is materially detrimental to the Owner's reputation or business; or (iii) the Agent's material breach of this Agreement, in each case, as determined by a final, non-appealable judicial decision.

   c) In the event of termination of this Agreement, the parties shall account to each other with respect to all matters outstanding as of the date of termination. The Owner shall furnish the Agent with a release of liability or a hold harmless agreement for and against any outstanding obligations or liabilities which the Agent may have incurred on behalf of the Owner under this Agreement

2. Compensation: During the Term, Agent shall receive from Owner the following compensation:

   a) The asset management fee shall be 1.75% of gross monthly rents received from the Properties listed in Exhibit B (the "Management Fee"). Properties listed in Exhibit B may be amended from time to time in the event of a sale of Property or purchase of new property. Management Fee and any additional amounts based upon fees and reimbursements shall be payable monthly in arrears, within five (5) calendar days following the last day of each calendar month. The Management Fee will be based on the gross rent received (excluding reimbursements for direct expenses) on the date billed. Agent shall be responsible for the management of projects for the improvement, repair, legal compliance and alteration of the Properties and Agent shall charge $125.00 per hour for work performed (i) outside Agents scope of "Services" including overseeing work performed by Agent's outside agents and building technicians; or (ii) where the cost of a project is greater than $5,000.00 (to cover additional time and effort by Agent engaging or supervising vendors and coordinating repair schedules with tenant schedules).

   b) Final payment of third party expenses by Owner shall relieve Agent of responsibility for faulty, defective, or recalled materials or workmanship, provided that Agent's vendors hold commercial insurance at a sufficient amount to protect both Agent and Owner. If requested by Owner, Agent shall furnish in connection with each request or invoice for payment statutory unconditional lien waiver and release forms executed and notarized by vendors performing such work and all other individuals and entities which may have lien rights. Any payment made under this Agreement shall not be construed as evidence of acceptance of any part of the Services.

3. Scope of Work: Agent will provide the Services as outlined in Exhibit A and in the manner set forth in this Section 3 (the "Services").

   a) Agent acknowledges and agrees that the terms and conditions of this Agreement will govern in all respects the Services provided by Agent, regardless of any contrary or competing terms or conditions contained in any proposal or other form provided by Agent, any subcontractor, or any other party relating to the Services to the extent they are inconsistent with any provision of this Agreement or limit the scope of any indemnity or other liability of Agent. The inclusion by reference in this Agreement of any proposal, order, invoice, request for proposal, or other document provided or prepared by Agent or any subcontractor is merely for convenience of identification of the scope of services or materials provided and any and all other such terms and conditions are expressly not incorporated nor valid for any purpose to the extent they contradict this Agreement. Without limiting the foregoing, this provision shall not pertain to any insurance policy, certificate, or other document required in connection with Agent's indemnity obligations herein.

   b) The Agent, in accepting the management of the Properties, will perform his/her/its duties as herein provided, using his/her/its commercially reasonable judgment, efforts and ability relative to the following and/or the Services described in Exhibit A, for and on behalf of the Owner and at Owner's sole expense. Owner acknowledges that the "Services" do not include collection of rent or payment of invoices relating to the Properties or the actual providing of physical maintenance and repair work at the Properties.

   c) Agent shall be free of responsibility for any delays, in the event Owner notifies Agent in writing that it is necessary, in the judgment of Owner, that Agent delays its work in connection to any repair or maintenance of Property being managed by Agent.

   d) Agent may designate an agent representative for the Property, and may change the identity of the agent representative at any time. Agent representative may assist Agent in coordinating the functions and services of Agent hereunder, and shall perform certain Agent functions and services required to be performed by Agent hereunder. Agent representative shall be an agent of Agent. Notwithstanding the foregoing, all obligations of Agent representative hereunder shall be obligations of Agent hereunder.

e) Any changes or modifications regarding the Services or compensation must be in writing and approved by the Owner in writing before additional items are supplied.

4. Expenses: Except under circumstances defined in Section 5, the Agent shall not incur any single expense in connection to any repair, alteration, decoration cost, purchase or replacement of equipment or chattels and/or the engagement of any service providers which may include but not be limited to attorneys, accountants, insurance servicers or other third-party contractors in excess of $500.00, without the prior written consent of the Owner.

5. Emergency Authority: It is expressly agreed that notwithstanding anything herein contained to the contrary, whenever Agent is required to obtain the written consent of Owner prior to the taking of any action under the terms of this Agreement, Agent may act, at Owner's expense, without obtaining the written consent of Owner if an emergency exists such that under the circumstances a delay in Agent's action would be imprudent and not in the best interests of Owner. In any such situation, Agent shall notify Owner as soon as reasonably practicable (initially, such notice to Owner shall be by telephone and email, and provide Owner with an explanation of such emergency and any action taken on the part of Agent in response to such Emergency in reasonable detail. The consent of Owner shall be confirmed as soon as reasonably practicable. Any cost incurred by Agent in connection to this Section 5 shall be paid for by Owner, whether or not covered by insurance, within ten (10) calendar days of billing.

6. Records: The Agent agrees at all times to keep and maintain, in accordance with customary business practices, suitable records and receipts pertaining to the supervision, management, care and operation of the Properties in connection with the Services, including all correspondence and data pertaining to, or in any matter related to the Properties, and to permit Owner to inspect said records and other matters and to make copies or extracts therefrom, during the Term and within one (1) year of the expiration or termination of this Agreement.

7. Quarterly Status Reports: Owner and Agent shall each, on a quarterly basis, review the status of the Properties including any Properties in need of Owner's attention, by way of email/ letter/ phone/ photos, as reasonably agreed upon by the parties. Owner shall be consulted on a regular basis as to any major deficiencies (e.g., expenses in excess of $500.00).

8. Insurance and Indemnity:

a) Owner shall carry, at its expense, commercial liability insurance and worker's compensation insurance (if Owner has employees) to protect the interests of Owner and Agent, who shall be named as an additional insured, under this agreement. Owner shall provide Agent with a certificate of insurance evidencing such coverage. The commercial liability insurance coverage shall have minimum limits of $2,000,000 including premises/operations, products/completed operations, independent contractors, advertising liability, personal injury liability and contractual liability. All such insurance shall be primary, except with respect to the Agent's breach of this Agreement or its gross negligence or willful misconduct, in which event Agent's insurance shall be primary.

b) Agent represents and warrants to Owner that Agent will maintain at all times during the Agreement general liability insurance insuring Agent and Owner in the amount of at least $1,000,000 against any claim or liability from third parties arising out of Agent's acts or omissions under this Agreement. Agent shall name Owner as additional insured on Agent's insurance policy and provide Owner annually with a certificate of insurance and a copy of the endorsement showing that Agent's insurance policy has been modified to add Owner as additional insured in accordance with Appendix A (attached).

c) Agent agrees to indemnify, defend, and hold Owner harmless from and against any and all liability, loss, cost, damage or expense imposed upon or asserted against Owner (except to the extent covered by Agent's or Owner's insurance or required to be carried by Owner hereunder) arising from Agent's willful material breach of this Agreement or its gross negligence or willful misconduct; provided, however, that in no event shall the indemnity provided under this Section extend to any Loss if and to the extent the same is caused by the gross negligence or willful misconduct of Owner or its agents or employees. If any person or entity makes a claim or institutes a suit against Owner on a matter for which Owner claims the benefit of the foregoing indemnification, then: (a) Owner shall give Agent prompt notice (no more than 3 business days) thereof in writing; (b) Agent may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Owner; (c) neither Owner nor Agent shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release Owner or Agent from any liability to the other for a willful breach of any of the covenants agreed to be performed under the terms of this Agreement.

d) Owner agrees to indemnify, defend, and hold Agent harmless from and against any and all liability, loss, cost, damage or expense (except to the extent covered by insurance carried by Agent or Owner or required to be carried by Agent hereunder) imposed upon or asserted against Agent related to or in connection with the Properties, except as may be due to Agent's breach of this Agreement or its gross negligence or willful misconduct. If any person or entity makes a claim or institutes a suit against Agent on a matter for which Agent claims the benefit of the foregoing indemnification, then: (a) Agent shall give Owner prompt notice thereof in writing; (b) Owner may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Agent; (c) neither Agent nor Owner shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release Owner or Agent from any liability to the other for a willful breach of any of the covenants agreed to be performed under the terms of this Agreement.

9. Time of Essence: The parties agree that time is of the essence with respect to the deadlines set forth in, and the term of, this Agreement.

10. Liens: This Agreement shall not create an interest in real property and it shall not be recorded in the public records of any jurisdiction. Notwithstanding anything to the contrary contained herein, Agent shall not be entitled to place, file, or record a lien upon the Properties on account of any sums alleged to be due and payable to Agent.

11. Attorney Fees: If Owner or Agent initiates a litigation, arbitration, mediation or similar proceeding to decide an issue relating to the performance or implementation of this Agreement, the losing party shall be liable to the prevailing party for reasonable attorneys' fees and costs of suit. The attorneys' fee award shall not necessarily be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all reasonable attorneys' fees reasonably incurred in good faith. The unenforceability, invalidity or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal.

12. Severability: If any provision of this Agreement is held to be unenforceable by a court or arbitrator, the remaining provisions shall remain valid, binding and in full force to the maximum extent possible. If a court determines that any portion of this Agreement is overbroad or unreasonable, such provision shall be given effect to the maximum extent possible by narrowing or enforcing in part that aspect of the provision found overbroad or unenforceable.

13. Notices: All notices and other communications required by this Agreement must be in writing.

Notice to the Owner shall be sent to:

Generation Income Properties Inc.
Attn: David Sobelman
401 E. Jackson St.
Suite 3300
Tampa, FL 33602
Email: ds@gipreit.com

Notice to the Agent shall be sent to:

3 Properties LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602
Email: nshaffer@3-properties.com

Notices delivered by hand, facsimile, or electronic mail shall be deemed received on the date delivered; notices delivered by certified or registered mail, return receipt requested, shall be deemed received on the date received.

14. Governing Law: This Agreement shall be governed by the laws of the State of Florida.

15. Force Majeure: Notwithstanding anything to the contrary contained in this Agreement, in the event that Agent or Owner shall be delayed or hindered in or prevented from the performance of any act required under this Agreement (other than the payment of any monetary obligation) by reason of Force Majeure, then the performance of such act shall be excused for the period of delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. A Force Majeure delay shall be deemed to exist only if Owner or Agent, as the case may be, notifies the other party of such delay in writing with reasonable promptness, together with an explanation of the nature or cause of the delay; provided, however, that any delay in so notifying the other party of any event of Force Majeure shall not negate such event of Force Majeure but shall shorten the period thereof to the extent that such other party was prejudiced by the delay in giving such notice.

16. Taxes: The Owner shall not make any deduction with respect to the Agent or the Agent's agents or employees for any payroll taxes, contributions for unemployment or workers' compensation insurance, or old age pensions, annuities or other benefits which are customarily measured by wages, salaries or other compensation paid to an employee. The Agent understands and agrees that the Agent shall be solely responsible for paying, according to law, all applicable federal, state and local income and withholding tax obligations or contributions imposed by Social Security, unemployment insurance or workers' compensation insurance in connection with this Agreement on behalf of the Agent or the Agent's agents or employees, if any.

17. Independent Contractor Relationship: The Agent shall at all times be acting and performing as an independent contractor to the Owner and nothing contained herein shall cause the relationship between the parties to this Agreement (or their respective employees, agents, or principals, as applicable) to be that of employer and employee. The Agent shall not have the right or authority to obligate or bind the Owner to any contract, obligation, responsibility or undertaking whatsoever, and the Agent shall make no representation or warranty, oral or written, express or implied, to that effect.

18. Binding Effect: Nothing in this Agreement shall be deemed to create any right in any person not a party hereto (other than as expressly provided herein and the permitted successors and assigns of a party hereto) and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party (except as aforesaid).

19. Entire Agreement: This Agreement (together with all attachments and appendices) represents the entire understanding and agreement among the parties, and supersedes all prior negotiations, representations and agreements, whether written or oral, with respect to the subject matter hereof or thereof. This Agreement may be amended, modified or supplemented only by the written agreement of the parties hereto.

20. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Signatures transmitted via facsimile, or PDF format through email, shall be considered authentic and binding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

AGENT		OWNER	
By:	David Sobelman	By:	David Sobelman
Signature:	/s/ David Sobelman	Signature:	/s/ David Sobelman
Title:	President	Title:	Owner

Exhibit A

Asset Management Services (the "Services")

1. Review leases in connection to all Properties and provide Owner with lease abstracts within 30 days following the Effective Date of the Agreement.
2. Generate quarterly summary of activities related to each Property.
3. Provide tenant relations and maintain a communication system in which representatives from Owner, tenants, representatives of Owner and/or government officials can use to contact Agent on a regular basis and in case of emergencies. Submit invoices for property taxes and insurance to Owner for payment. Submit proof of payment to tenant for reimbursement and perform all reconciliations as necessary.
4. Source and solicit as necessary, service providers (attorney's accountants, lenders, brokers etc.) as well as vendors for maintenance and repairs in connection to Properties. As applicable, submit proposals and bids to Owner for approval.
5. Management of work projects for the improvement, repair, legal compliance and alteration of any Property subject to Section 2(b) of this Agreement.
6. Annual inspection of building exterior, lighting, signage, refuse enclosure, and common area of Properties. Annual inspection of the roof. Verbal communication with tenants is expected during visits.
    a. Minimum of 1 visit per annum including (1) Lighting Inspection, (1) HVAC inspection, and (1) roof inspection.
7. Submit written property status report with photos of the Properties on an annual basis, including but not limited to, the following issues when applicable:
    a. Tenant concerns
    b. Overall Properties condition (i.e. update on recent repairs, assessment of vendor work)
    c. Recommendations for improvement of facility, landscaping, and/or tenant and vendor relations.

Exhibit B

"Properties"

Tenant	Street Address	Current Rent	City	State	Zip Code
Walgreens Inc.	1106 Clearlake Rd.	$ 313,480.20	Cocoa	FL	32922

"Properties"
Entity Names

Walgreens Boot Alliance – GIPFL JV 1106 Clearlake, LLC.

Appendix A

SPECIFIC VENDOR INSURANCE REQUIREMENTS

All coverage must be placed with a BEST'S "A" RATED CARRIER, any lower rating will not be accepted

General Liability	$1,000,000	Combined Single Limit per occurrence (Contractual Liab., Fire & Water Legal Liab., and Cross Liab. & Severability of Interest clause) Note: may be in combination with umbrella or excess policy.
Workers Compensation	$1,000,000	Statutory limits set forth by the law of the State of Florida
Umbrella or Excess Liability		

SPECIFIC ENDORSEMENTS REQUIRED

1) Additional Insured Endorsement "HARD COPY" must be attached to certificate naming the following Additional Insured as respects to General liability:

*Additional Insured: 3 Properties, LLC
*Certificate Holder: 3 Properties, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602

1. Primary Wording Clauses stating Additional Insured(s) insurance is non-contributing with any other insurance

   OR

   the following statement may be provided: It is further agreed that such insurance as is afforded by this policy for the benefit of the additional insured(s) shown above shall be primary insurance, but only as respects any claims, loss or liability arising out of the operations of the named insured or from occupancy, maintenance or use of the premises by the named insured and any insurance maintained by the additional insured(s) shall be non-contributing.

2. 30-day Notice of Cancellation:

3. Waiver of Subrogation on Workers Compensation AND Waiver of Subrogation on General Liability

   OR

   the following statement may be provided: WAIVER OF RIGHTS OF RECOVERY - The carrier will not apply the Recovering Damages from a Third Party rule when a contract specifies that the carrier waive their subrogation rights. The carrier will only waive their subrogation rights PRIOR to the occupancy or the actual loss or damage.

4. NOTE to UNDERWRITER: If waiver(s) is not able to be provided immediately, please send a memo stating that waiver will follow upon approval and completion, OR have carrier provide a statement that they cannot comply with this request.)

_____

A. PLEASE EMAIL A COPY OF THE CERTIFICATE & ENDORSEMENT TO:

Noah Shaffer
nshaffer@3-properties.com

B. PLEASE MAIL THE ORIGINAL CERTIFICATE & ENDORSEMENT TO:

3 PROPERTIES, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602

INVOICE PROCEDURE

A. All vendors must submit W-9 and insurance.

B. Monthly Service Invoice. Submit your monthly invoice by the 10th day of every month as stated on the vendor agreement "Conditions to Payment". Payment will be processed before the end of the service month. Please allow up to 2 weeks for payment to arrive after it has been processed.

C. Repair and/or Maintenance Invoice. Invoice shall be submitted after the project has been completed.

D. Before and After pictures of project should be included with Invoice.

E. Bill to:

3 Properties, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
(813) 448-1234 Phone

Exhibit 10.25

Property Management Agreement

Monday, December 31, 2018
Generation Income Properties Inc.
Attn: David Sobelman
401 E. Jackson St.
Suite 3300
Tampa, FL 33602

Mr. David Sobelman:

We are pleased to confirm the arrangements (this "Agreement") under which 3 Properties LLC, ("Agent") will act as the property manager for Generation Income Properties Inc., and its affiliates listed in Exhibit B ("Owner") and the properties listed in Exhibit B (attached hereto) and their corresponding entities (each a "Property" and together the "Properties") as of January 01, 2019 (the "Effective Date") upon the terms and in consideration of the mutual covenants herein set forth:

1. Term and Termination:

   a) This Agreement is for a minimum of one (1) year commencing on the Effective Date and thereafter this Agreement shall automatically renew on each anniversary of the Effective Date, unless terminated in writing delivered by either party hereto to the other party hereto at least 60 days in advance of the applicable anniversary of the Effective Date (the "Term").

   b) Either party may terminate this Agreement upon 90 days written notice to the other party with or without "cause;" upon termination of this Agreement the Owner shall pay to the Agent any amounts earned but unpaid for Services performed on or before the date of such termination. For purposes of this Agreement "cause" shall mean: (i) the Agent's conviction, pleading guilty or no contest with respect to a felony; (ii) the Agent's engagement in misconduct that is materially detrimental to the Owner's reputation or business; or (iii) the Agent's material breach of this Agreement, in each case, as determined by a final, non-appealable judicial decision.

   c) In the event of termination of this Agreement, the parties shall account to each other with respect to all matters outstanding as of the date of termination. The Owner shall furnish the Agent with a release of liability or a hold harmless agreement for and against any outstanding obligations or liabilities which the Agent may have incurred on behalf of the Owner under this Agreement

2. Compensation: During the Term, Agent shall receive from Owner the following compensation:

   a) The asset management fee shall be 1.75% of gross monthly rents received from the Properties listed in Exhibit B (the "Management Fee"). Properties listed in Exhibit B may be amended from time to time in the event of a sale of Property or purchase of new property. Management Fee and any additional amounts based upon fees and reimbursements shall be payable monthly in arrears, within five (5) calendar days following the last day of each calendar month. The Management Fee will be based on the gross rent received (excluding reimbursements for direct expenses) on the date billed. Agent shall be responsible for the management of projects for the improvement, repair, legal compliance and alteration of the Properties and Agent shall charge $125.00 per hour for work performed (i) outside Agents scope of "Services" including overseeing work performed by Agent's outside agents and building technicians; or (ii) where the cost of a project is greater than $5,000.00 (to cover additional time and effort by Agent engaging or supervising vendors and coordinating repair schedules with tenant schedules).

   b) Final payment of third party expenses by Owner shall relieve Agent of responsibility for faulty, defective, or recalled materials or workmanship, provided that Agent's vendors hold commercial insurance at a sufficient amount to protect both Agent and Owner. If requested by Owner, Agent shall furnish in connection with each request or invoice for payment statutory unconditional lien waiver and release forms executed and notarized by vendors performing such work and all other individuals and entities which may have lien rights. Any payment made under this Agreement shall not be construed as evidence of acceptance of any part of the Services.

3. Scope of Work: Agent will provide the Services as outlined in Exhibit A and in the manner set forth in this Section 3 (the "Services").

   a) Agent acknowledges and agrees that the terms and conditions of this Agreement will govern in all respects the Services provided by Agent, regardless of any contrary or competing terms or conditions contained in any proposal or other form provided by Agent, any subcontractor, or any other party relating to the Services to the extent they are inconsistent with any provision of this Agreement or limit the scope of any indemnity or other liability of Agent. The inclusion by reference in this Agreement of any proposal, order, invoice, request for proposal, or other document provided or prepared by Agent or any subcontractor is merely for convenience of identification of the scope of services or materials provided and any and all other such terms and conditions are expressly not incorporated nor valid for any purpose to the extent they contradict this Agreement. Without limiting the foregoing, this provision shall not pertain to any insurance policy, certificate, or other document required in connection with Agent's indemnity obligations herein.

   b) The Agent, in accepting the management of the Properties, will perform his/her/its duties as herein provided, using his/her/its commercially reasonable judgment, efforts and ability relative to the following and/or the Services described in Exhibit A, for and on behalf of the Owner and at Owner's sole expense. Owner acknowledges that the "Services" do not include collection of rent or payment of invoices relating to the Properties or the actual providing of physical maintenance and repair work at the Properties.

   c) Agent shall be free of responsibility for any delays, in the event Owner notifies Agent in writing that it is necessary, in the judgment of Owner, that Agent delays its work in connection to any repair or maintenance of Property being managed by Agent.

   d) Agent may designate an agent representative for the Property, and may change the identity of the agent representative at any time. Agent representative may assist Agent in coordinating the functions and services of Agent hereunder, and shall perform certain Agent functions and services required to be performed by Agent hereunder. Agent representative shall be an agent of Agent. Notwithstanding the foregoing, all obligations of Agent representative hereunder shall be obligations of Agent hereunder.

e) Any changes or modifications regarding the Services or compensation must be in writing and approved by the Owner in writing before additional items are supplied.

4. Expenses: Except under circumstances defined in Section 5, the Agent shall not incur any single expense in connection to any repair, alteration, decoration cost, purchase or replacement of equipment or chattels and/or the engagement of any service providers which may include but not be limited to attorneys, accountants, insurance servicers or other third-party contractors in excess of $500.00, without the prior written consent of the Owner.

5. Emergency Authority: It is expressly agreed that notwithstanding anything herein contained to the contrary, whenever Agent is required to obtain the written consent of Owner prior to the taking of any action under the terms of this Agreement, Agent may act, at Owner's expense, without obtaining the written consent of Owner if an emergency exists such that under the circumstances a delay in Agent's action would be imprudent and not in the best interests of Owner. In any such situation, Agent shall notify Owner as soon as reasonably practicable (initially, such notice to Owner shall be by telephone and email, and provide Owner with an explanation of such emergency and any action taken on the part of Agent in response to such Emergency in reasonable detail. The consent of Owner shall be confirmed as soon as reasonably practicable. Any cost incurred by Agent in connection to this Section 5 shall be paid for by Owner, whether or not covered by insurance, within ten (10) calendar days of billing.

6. Records: The Agent agrees at all times to keep and maintain, in accordance with customary business practices, suitable records and receipts pertaining to the supervision, management, care and operation of the Properties in connection with the Services, including all correspondence and data pertaining to, or in any matter related to the Properties, and to permit Owner to inspect said records and other matters and to make copies or extracts therefrom, during the Term and within one (1) year of the expiration or termination of this Agreement.

7. Quarterly Status Reports: Owner and Agent shall each, on a quarterly basis, review the status of the Properties including any Properties in need of Owner's attention, by way of email/ letter/ phone/ photos, as reasonably agreed upon by the parties. Owner shall be consulted on a regular basis as to any major deficiencies (e.g., expenses in excess of $500.00).

8. Insurance and Indemnity:

a) Owner shall carry, at its expense, commercial liability insurance and worker's compensation insurance (if Owner has employees) to protect the interests of Owner and Agent, who shall be named as an additional insured, under this agreement. Owner shall provide Agent with a certificate of insurance evidencing such coverage. The commercial liability insurance coverage shall have minimum limits of $2,000,000 including premises/operations, products/completed operations, independent contractors, advertising liability, personal injury liability and contractual liability. All such insurance shall be primary, except with respect to the Agent's breach of this Agreement or its gross negligence or willful misconduct, in which event Agent's insurance shall be primary.

b) Agent represents and warrants to Owner that Agent will maintain at all times during the Agreement general liability insurance insuring Agent and Owner in the amount of at least $1,000,000 against any claim or liability from third parties arising out of Agent's acts or omissions under this Agreement. Agent shall name Owner as additional insured on Agent's insurance policy and provide Owner annually with a certificate of insurance and a copy of the endorsement showing that Agent's insurance policy has been modified to add Owner as additional insured in accordance with Appendix A (attached).

c) Agent agrees to indemnify, defend, and hold Owner harmless from and against any and all liability, loss, cost, damage or expense imposed upon or asserted against Owner (except to the extent covered by Agent's or Owner's insurance or required to be carried by Owner hereunder) arising from Agent's willful material breach of this Agreement or its gross negligence or willful misconduct; provided, however, that in no event shall the indemnity provided under this Section extend to any Loss if and to the extent the same is caused by the gross negligence or willful misconduct of Owner or its agents or employees. If any person or entity makes a claim or institutes a suit against Owner on a matter for which Owner claims the benefit of the foregoing indemnification, then: (a) Owner shall give Agent prompt notice (no more than 3 business days) thereof in writing; (b) Agent may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Owner; (c) neither Owner nor Agent shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release Owner or Agent from any liability to the other for a willful breach of any of the covenants agreed to be performed under the terms of this Agreement.

d) Owner agrees to indemnify, defend, and hold Agent harmless from and against any and all liability, loss, cost, damage or expense (except to the extent covered by insurance carried by Agent or Owner or required to be carried by Agent hereunder) imposed upon or asserted against Agent related to or in connection with the Properties, except as may be due to Agent's breach of this Agreement or its gross negligence or willful misconduct. If any person or entity makes a claim or institutes a suit against Agent on a matter for which Agent claims the benefit of the foregoing indemnification, then: (a) Agent shall give Owner prompt notice thereof in writing; (b) Owner may defend such claim or action by counsel of its own choosing provided such counsel is reasonably satisfactory to Agent; (c) neither Agent nor Owner shall settle any claim without the other's written consent; and (d) this subsection shall not be so construed as to release Owner or Agent from any liability to the other for a willful breach of any of the covenants agreed to be performed under the terms of this Agreement.

9. Time of Essence: The parties agree that time is of the essence with respect to the deadlines set forth in, and the term of, this Agreement.

10. Liens: This Agreement shall not create an interest in real property and it shall not be recorded in the public records of any jurisdiction. Notwithstanding anything to the contrary contained herein, Agent shall not be entitled to place, file, or record a lien upon the Properties on account of any sums alleged to be due and payable to Agent.

11. Attorney Fees: If Owner or Agent initiates a litigation, arbitration, mediation or similar proceeding to decide an issue relating to the performance or implementation of this Agreement, the losing party shall be liable to the prevailing party for reasonable attorneys' fees and costs of suit. The attorneys' fee award shall not necessarily be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all reasonable attorneys' fees reasonably incurred in good faith. The unenforceability, invalidity or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal.

12. Severability: If any provision of this Agreement is held to be unenforceable by a court or arbitrator, the remaining provisions shall remain valid, binding and in full force to the maximum extent possible. If a court determines that any portion of this Agreement is overbroad or unreasonable, such provision shall be given effect to the maximum extent possible by narrowing or enforcing in part that aspect of the provision found overbroad or unenforceable.

13. Notices: All notices and other communications required by this Agreement must be in writing.

Notice to the Owner shall be sent to:

Generation Income Properties Inc.
Attn: David Sobelman
401 E. Jackson St.
Suite 3300
Tampa, FL 33602
Email: ds@gipreit.com

Notice to the Agent shall be sent to:

3 Properties LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602
Email: nshaffer@3-properties.com

Notices delivered by hand, facsimile, or electronic mail shall be deemed received on the date delivered; notices delivered by certified or registered mail, return receipt requested, shall be deemed received on the date received.

14. Governing Law: This Agreement shall be governed by the laws of the State of Florida.

15. Force Majeure: Notwithstanding anything to the contrary contained in this Agreement, in the event that Agent or Owner shall be delayed or hindered in or prevented from the performance of any act required under this Agreement (other than the payment of any monetary obligation) by reason of Force Majeure, then the performance of such act shall be excused for the period of delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. A Force Majeure delay shall be deemed to exist only if Owner or Agent, as the case may be, notifies the other party of such delay in writing with reasonable promptness, together with an explanation of the nature or cause of the delay; provided, however, that any delay in so notifying the other party of any event of Force Majeure shall not negate such event of Force Majeure but shall shorten the period thereof to the extent that such other party was prejudiced by the delay in giving such notice.

16. Taxes: The Owner shall not make any deduction with respect to the Agent or the Agent's agents or employees for any payroll taxes, contributions for unemployment or workers' compensation insurance, or old age pensions, annuities or other benefits which are customarily measured by wages, salaries or other compensation paid to an employee. The Agent understands and agrees that the Agent shall be solely responsible for paying, according to law, all applicable federal, state and local income and withholding tax obligations or contributions imposed by Social Security, unemployment insurance or workers' compensation insurance in connection with this Agreement on behalf of the Agent or the Agent's agents or employees, if any.

17. Independent Contractor Relationship: The Agent shall at all times be acting and performing as an independent contractor to the Owner and nothing contained herein shall cause the relationship between the parties to this Agreement (or their respective employees, agents, or principals, as applicable) to be that of employer and employee. The Agent shall not have the right or authority to obligate or bind the Owner to any contract, obligation, responsibility or undertaking whatsoever, and the Agent shall make no representation or warranty, oral or written, express or implied, to that effect.

18. Binding Effect: Nothing in this Agreement shall be deemed to create any right in any person not a party hereto (other than as expressly provided herein and the permitted successors and assigns of a party hereto) and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party (except as aforesaid).

19. Entire Agreement: This Agreement (together with all attachments and appendices) represents the entire understanding and agreement among the parties, and supersedes all prior negotiations, representations and agreements, whether written or oral, with respect to the subject matter hereof or thereof. This Agreement may be amended, modified or supplemented only by the written agreement of the parties hereto.

20. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. Signatures transmitted via facsimile, or PDF format through email, shall be considered authentic and binding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

AGENT		OWNER	
By:	David Sobelman	By:	David Sobelman
Signature:	/s/ David Sobelman	Signature:	/s/ David Sobelman
Title:	President	Title:	Owner

Exhibit A

Asset Management Services (the "Services")

1. Review leases in connection to all Properties and provide Owner with lease abstracts within 30 days following the Effective Date of the Agreement.
2. Generate quarterly summary of activities related to each Property.
3. Provide tenant relations and maintain a communication system in which representatives from Owner, tenants, representatives of Owner and/or government officials can use to contact Agent on a regular basis and in case of emergencies. Submit invoices for property taxes and insurance to Owner for payment. Submit proof of payment to tenant for reimbursement and perform all reconciliations as necessary.
4. Source and solicit as necessary, service providers (attorney's accountants, lenders, brokers etc.) as well as vendors for maintenance and repairs in connection to Properties. As applicable, submit proposals and bids to Owner for approval.
5. Management of work projects for the improvement, repair, legal compliance and alteration of any Property subject to Section 2(b) of this Agreement.
6. Annual inspection of building exterior, lighting, signage, refuse enclosure, and common area of Properties. Annual inspection of the roof. Verbal communication with tenants is expected during visits.
    a. Minimum of 1 visit per annum including (1) Lighting Inspection, (1) HVAC inspection, and (1) roof inspection.
7. Submit written property status report with photos of the Properties on an annual basis, including but not limited to, the following issues when applicable:
    a. Tenant concerns
    b. Overall Properties condition (i.e. update on recent repairs, assessment of vendor work)
    c. Recommendations for improvement of facility, landscaping, and/or tenant and vendor relations.

Exhibit B

"Properties"

Tenant	Street Address	Current NOI	City	State	Zip Code
7-Eleven	3703 14th Street NW	$ 117,999.96	Washington	D.C.	20010
Starbucks	1300 S. Dale Mabry Hwy.	$ 182,500.00	Tampa	FL	33629
Pratt & Whitney	15091 SW Alabama 20	$ 684,996.00	Madison	AL	35756

"Properties"
Entity Names

7-Eleven—GIPDC 3707 14th St LLC

Starbucks- GIPFL 1300 S Dale Mabry LLC

Pratt & Whitney – GIPAL JV 15091 SW Alabama 20 LLC

Appendix A

SPECIFIC VENDOR INSURANCE REQUIREMENTS

All coverage must be placed with a BEST'S "A" RATED CARRIER, any lower rating will not be accepted

General Liability	$1,000,000	Combined Single Limit per occurrence (Contractual Liab., Fire & Water Legal Liab., and Cross Liab. & Severability of Interest clause) Note: may be in combination with umbrella or excess policy.
Workers Compensation	$1,000,000	Statutory limits set forth by the law of the State of Florida
Umbrella or Excess Liability		

SPECIFIC ENDORSEMENTS REQUIRED

1) Additional Insured Endorsement "HARD COPY" must be attached to certificate naming the following Additional Insured as respects to General liability:

*Additional Insured: 3 Properties, LLC
*Certificate Holder: 3 Properties, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602

1. Primary Wording Clauses stating Additional Insured(s) insurance is non-contributing with any other insurance

   OR

   the following statement may be provided: It is further agreed that such insurance as is afforded by this policy for the benefit of the additional insured(s) shown above shall be primary insurance, but only as respects any claims, loss or liability arising out of the operations of the named insured or from occupancy, maintenance or use of the premises by the named insured and any insurance maintained by the additional insured(s) shall be non-contributing.

2. 30-day Notice of Cancellation:

3. Waiver of Subrogation on Workers Compensation AND Waiver of Subrogation on General Liability

   OR

   the following statement may be provided: WAIVER OF RIGHTS OF RECOVERY—The carrier will not apply the Recovering Damages from a Third Party rule when a contract specifies that the carrier waive their subrogation rights. The carrier will only waive their subrogation rights PRIOR to the occupancy or the actual loss or damage.

4. NOTE to UNDERWRITER: If waiver(s) is not able to be provided immediately, please send a memo stating that waiver will follow upon approval and completion, OR have carrier provide a statement that they cannot comply with this request.)

_____

A. PLEASE EMAIL A COPY OF THE CERTIFICATE & ENDORSEMENT TO:

Noah Shaffer
nshaffer@3-properties.com

B. PLEASE MAIL THE ORIGINAL CERTIFICATE & ENDORSEMENT TO:

3 PROPERTIES, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
Tampa, FL 33602

INVOICE PROCEDURE

A. All vendors must submit W-9 and insurance.

B. Monthly Service Invoice. Submit your monthly invoice by the 10th day of every month as stated on the vendor agreement "Conditions to Payment". Payment will be processed before the end of the service month. Please allow up to 2 weeks for payment to arrive after it has been processed.

C. Repair and/or Maintenance Invoice. Invoice shall be submitted after the project has been completed.

D. Before and After pictures of project should be included with Invoice.

E. Bill to:

3 Properties, LLC
Attn: Asset Management
401 East Jackson Street, Suite 3300
(813) 448-1234 Phone

Exhibit 10.26

LOAN AGREEMENT

Dated as of February 11, 2020

By and Among

Borrowers (as defined herein)

and

DBR INVESTMENTS CO. LIMITED,
as Lender

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Schedule IV	-	Exceptions to Representations and Warranties
Schedule V	-	Definition of Special Purpose Bankruptcy Remote Entity
Schedule VI	-	Intellectual Property/Websites
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Schedule X	-	Permitted Condo Amendment

Exhibits:

Exhibit A	-	Condominium Unit Description
Exhibit B	-	Secondary Market Transaction Information

LOAN AGREEMENT

THIS **LOAN AGREEMENT**, dated as of February 11, 2020 (as amended, restated, replaced, supplemented or otherwise modified from time to time, this "***Agreement***"), between **DBR INVESTMENTS CO. LIMITED**, a Cayman Islands corporation, having an address at 60 Wall Street, 10th Floor, New York, New York 10005 (together with its successors and assigns, collectively, "***Lender***"), and **GIPFL 1300 S DALE MABRY, LLC**, a Delaware limited liability company, having its principal place of business at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602, **GIPDC 3707 14TH ST, LLC**, a Delaware limited liability company, having its principal place of business at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602 and **GIPAL JV 15091 SW ALABAMA 20, LLC**, a Delaware limited liability company, having its principal place of business at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602 (each a "***Borrower***" and collectively, together with their respective permitted successors and assigns, "***Borrowers***").

All capitalized terms used herein shall have the respective meanings set forth in Article 1 hereof.

W I T N E S S E T H :

WHEREAS, Borrowers desire to obtain the Loan from Lender; and

WHEREAS, Lender is willing to make the Loan to Borrowers, subject to and in accordance with the terms and conditions of this Agreement and the other Loan Documents.

NOW, THEREFORE, in consideration of the covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree, represent and warrant as follows:

ARTICLE 1

DEFINITIONS; PRINCIPLES OF CONSTRUCTION

Section 1.1 Specific Definitions.

For all purposes of this Agreement, except as otherwise expressly provided:

"***Acceptable Appraisal***" shall mean an appraisal that is (a) dated not more than ninety (90) days prior to the particular date of any calculation herein including such appraisal, (b) signed by a qualified, independent MAI appraiser selected by Borrower and reasonably approved by Lender, (c) addressed to Lender and its successors and assigns, (d) made in compliance with the requirements of the Federal National Mortgage Association Company or Federal Home Loan Mortgage Corporation, or any successor thereto, and Title XI of the Federal Institutions Reform Recovery and (e) otherwise reasonably acceptable to Lender in all material respects.

"***Affiliate***" shall mean, as to any Person, any other Person that (i) owns directly or indirectly ten percent (10%) or more of all equity interests in such Person, and/or (ii) is in Control of, is Controlled by or is under common ownership or Control with such Person, and/or (iii) is a director or officer of such Person or of an Affiliate of such Person, and/or (iv) is the spouse, issue or parent of such Person or of an Affiliate of such Person.

"***Allocated Loan Amount***" shall mean, with respect to each Property, the amount set forth with respect to such Property on **Schedule VII**.

"***ALTA***" shall mean American Land Title Association, or any successor thereto.

"***Alteration Threshold***" shall mean, with respect to each Property, three percent (3.0%) of the Allocated Loan Amount for such Property.

"***Amortization Commencement Date***" shall mean April 6, 2021.

"***Annual Budget***" shall mean the operating and capital budget for the Property owned by any Borrower setting forth, on a month-by-month basis, in reasonable detail, each line item of such Borrower's good faith estimate of anticipated operating income, operating expenses and Capital Expenditures for the applicable Fiscal Year.

"***Anti-Money Laundering Laws***" shall mean any laws relating to money laundering or terrorist financing, including, without limitation, (A) the criminal laws against terrorism; (B) the criminal laws against money laundering, (C) the Bank Secrecy Act, as amended, (D) the Money Laundering Control Act of 1986, as amended, and (E) the Patriot Act.

"***Appraised Value***" shall mean, the fair market value of each Property that will remain subject to the Liens of the Loan Documents after giving effect to the release of a Property pursuant to Section 2.5.2 reflected in an appraisal paid for by Borrowers that is (i) dated not more than ninety (90) days prior to the date of anticipated the sale of any Property pursuant to Section 2.5.2, (ii) signed by a qualified, independent MAI appraiser selected or approved by Lender, (iii) addressed to Lender and its successors and assigns, (iv) made in compliance with the requirements of the Uniform Standard of Professional Appraisal Practice, or any successor thereto, and Title XI of the Federal Institutions Reform, Recovery, and Enforcement Act of 1989 and the regulations promulgated thereunder, and (v) otherwise reasonably satisfactory to Lender in all material respects.

"***Approved Capital Expenditures***" shall mean actual out-of-pocket Capital Expenditures to unaffiliated third-parties (except with respect to expenses to Affiliates of Borrower or Guarantor to the extent such expenses have been expressly approved by Lender) incurred by a Borrower and either (i) included in the Approved Annual Budget for the Property owned by such Borrower or (ii) approved by Lender, which approval shall not be unreasonably withheld or delayed.

"***Approved Lease Sweep Space Leasing Expenses***" shall mean actual out-of-pocket expenses to unaffiliated third-parties (except with respect to expenses to Affiliates of a Borrower or Guarantor to the extent such expenses have been expressly approved by Lender) incurred by a Borrower in leasing Lease Sweep Space at the Property owned by such Borrower pursuant to Qualified Leases, including brokerage commissions and tenant improvements, which expenses (i) are (A) specifically approved by Lender in connection with approving the applicable Lease, or (B) otherwise approved by Lender, which approval shall not be unreasonably withheld or delayed, and (ii) are substantiated by executed Lease documents and brokerage agreements.

"***Approved Leasing Expenses***" shall mean actual out-of-pocket expenses to unaffiliated third-parties (except with respect to expenses to Affiliates of a Borrower or Guarantor to the extent such expenses have been expressly approved by Lender) incurred by a Borrower in leasing space at the Property owned by such Borrower pursuant to Leases entered into in accordance with the Loan Documents, including brokerage commissions and tenant improvements, which expenses (i) are (A) specifically approved by Lender in connection with approving the applicable Lease, (B) incurred in the ordinary course of business and on market terms and conditions in connection with Leases which do not require Lender's approval under the Loan Documents, and Lender shall have received a budget for such tenant improvement costs and a schedule of leasing commission payments payable in connection therewith, or (C) otherwise approved by Lender, which approval shall not be unreasonably withheld, conditioned, or delayed, and (ii) are substantiated by executed Lease documents and brokerage agreements.

"***Approved Replacement Guarantor***" shall mean a Person (i) that satisfies the conditions set forth in clauses (x) and (y) of the definition of "Qualified Transferee", (ii) is formed in (or, if such Person is an individual, is a citizen of), maintains its principal place of business in (or, if such Person is an individual, maintains a primary residence in), and is subject to service in the United States or Canada, (iii) has all or substantially all of its assets in the United States or Canada, (iv) whose identity, experience, financial condition and creditworthiness, including net worth and liquidity, is acceptable to Lender in Lender's sole discretion (provided, however, that a net worth equal to $10,000,000 and liquid assets equal to $2,000,000 shall be deemed acceptable), for which Lender has received a Rating Agency Confirmation from each applicable Rating Agency, (v) that satisfies the Guarantor Financial Covenants and (vi) who Controls Borrowers (or any Transferee Borrower, as applicable) and owns a direct or indirect interest in Borrowers (or any Transferee Borrower, as applicable). If two or more Approved Replacement Guarantors are delivering replacement guaranties and replacement environmental indemnities to Lender, then (1) only one such Approved Replacement Guarantor must Control Borrowers (or Transferee Borrower, as applicable), directly or indirectly (provided that each such Approved Replacement Guarantor must own a direct or indirect interest in Borrowers (or Transferee Borrower, as applicable)) and (2) the obligations of all Approved Replacement Guarantors shall be joint and several.

"***Assignment of Agreements***" shall mean that certain Assignment of Agreements, Licenses, Permits and Contracts, dated as of the date hereof, from Borrowers, as assignor, to Lender, as assignee.

"***Assignment of Leases***" shall mean each first priority Assignment of Leases and Rents, dated as of the date hereof, from each Borrower, as assignor, to Lender, as assignee.

"***Assignment of Management Agreement***" shall mean that certain Assignment of Management Agreement and Subordination of Management Fees dated as of the date hereof among Borrowers, Manager and Lender.

"***Award***" shall mean any compensation paid by any Governmental Authority in connection with a Condemnation in respect to all or any part of any Property.

"***Bankruptcy Code***" shall mean Title 11 of the United States Code entitled "Bankruptcy", as amended from time to time, and any successor statute or statutes and all rules and regulations from time to time promulgated thereunder, and any comparable foreign laws relating to bankruptcy, insolvency or creditors' rights.

"***Business Day***" shall mean any day other than a Saturday, a Sunday or a legal holiday on which national banks are not open for general business in (i) the State of New York, (ii) the state where the corporate trust office of the Trustee is located, or (iii) the state where the servicing offices of the Servicer are located.

"***Calculation Date***" shall mean the last day of each calendar quarter during the Term.

"***Capital Expenditures***" for any period shall mean amounts expended for replacements and alterations to any Property (excluding tenant improvements) and required to be capitalized according to GAAP.

"***Cash Management Agreement***" shall mean that certain Cash Management Agreement dated the date hereof by and among Borrowers, Lender, and Manager.

"***Clearing Account Agreement***" shall mean that certain Deposit Account Control Agreement dated the date hereof by and among Borrowers, Lender and PNC Bank, National Association.

"***Closing Date***" shall mean the date of the funding of the Loan.

"***Code***" shall mean the Internal Revenue Code of 1986, as amended, and as it may be further amended from time to time, any successor statutes thereto, and applicable U.S. Department of Treasury regulations issued pursuant thereto in temporary or final form.

"***Common Charges***" shall mean all common charges, assessments and any other amounts payable by the owner of the Unit pursuant to the terms of the Condominium Documents.

"***Common Elements***" shall have the meaning given such term in the Condominium Documents.

"***Condemnation***" shall mean a temporary or permanent taking by any Governmental Authority as the result or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, of all or any part of any Property, or any interest therein or right accruing thereto, including any right of access thereto or any change of grade affecting any Property or any part thereof.

"***Condo Association***" shall mean the Unit Owners Association for Quincy at Fourteenth Condominium at 1380 Quincy Street, NW, and 3707 14th Street, NW, Washington, D.C. 20010.

"***Condominium Documents***" shall mean, collectively, Quincy at Fourteenth Condominium Declaration; Quincy at Fourteenth Condominium Bylaws; Plat and Plans of Condominium Subdivision Square 2826, Lot 98, Quincy at Fourteenth Condominium; and all other equivalent documents together with all such modifications to such documents now or hereafter in effect, which affect the Unit or the Common Elements.

"***Control***" shall mean, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, through the ownership of voting securities, by contract or otherwise, and the terms Controlled, Controlling and Common Control shall have correlative meanings.

"***Debt***" shall mean the Outstanding Principal Balance together with all interest accrued and unpaid thereon and all other sums (including any applicable Prepayment Fee and/or Liquidated Damages Amount, if applicable) due to Lender from time to time in respect of the Loan under the Note, this Agreement, the Mortgages, the Environmental Indemnity or any other Loan Document.

"***Debt Service***" shall mean, with respect to any particular period, the scheduled principal and interest payments due under the Note and, if applicable, the note(s) evidencing any New Mezzanine Loan in such period (but assuming, only for the purpose of calculating the Debt Service Coverage Ratio and Restoration DSCR, that the Amortization Commencement Date has already occurred).

"***Debt Service Coverage Ratio***" shall mean, as of any date of determination, a ratio calculated by Lender, in which (a) the numerator is the Underwritten Net Cash Flow and (b) the denominator is the annual Debt Service. Each determination by Lender of the Debt Service Coverage Ratio shall be conclusive and binding for all purposes, absent manifest error.

"***Default***" shall mean the occurrence of any event hereunder or under any other Loan Document which, but for the giving of notice or passage of time, or both, would constitute an Event of Default.

"***Default Rate***" shall mean, with respect to the Loan, a rate per annum equal to the lesser of (i) the Maximum Legal Rate or (ii) five percent (5%) above the Interest Rate.

"***Defeasance Collateral***" shall mean U.S. Obligations that provide for payments (1) on or prior to, but as close as possible to and including, all successive scheduled Monthly Payment Dates after the Release Date through the Stated Maturity Date, and (2) in amounts equal to or greater than the Scheduled Defeasance Payments.

*"**Defeasance Percentage**"* shall mean the percentage derived by dividing, (i) in the case of an initial Partial Defeasance, the original principal amount of the Defeased Note by the original principal amount of the Note or (ii) in the case of a subsequent Defeasance, the amount of the subsequent Defeased Note by the original principal amount of its corresponding Undefeased Note.

"***Deposit Account***" shall mean an Eligible Account at the Deposit Bank.

"***Deposit Bank***" shall mean the bank or banks selected by Lender to maintain the Deposit Account. Lender may in its sole but reasonable discretion change the Deposit Bank from time to time.

"***Discount Rate***" shall mean the rate which, when compounded monthly, is equivalent to the lesser of (i) the Treasury Rate and (ii) the Swap Rate, each when compounded semi-annually.

"***Eligible Account***" shall mean a separate and identifiable account from all other funds held by the holding institution that is either (i) an account or accounts (or subaccounts thereof) maintained with a federal or state-chartered depository institution or trust company which complies with the definition of Eligible Institution or (ii) a segregated trust account or accounts (or subaccounts thereof) maintained with the corporate trust department of a federal depository institution or state chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulations §9.10(b), having in either case

corporate trust powers, acting in its fiduciary capacity, and a combined capital and surplus of at least $50,000,000, subject to supervision or examination by federal and state authorities and having a long-term unsecured debt rating of "BBB-" or higher by S&P and "A2" or higher by Moody's and a short-term unsecured debt rating of "A-1" or higher by S&P and "P-1" or higher by Moody's. An Eligible Account will not be evidenced by a certificate of deposit, passbook or other instrument.

"***Eligible Institution***" shall mean a depository institution or trust company insured by the Federal Deposit Insurance Corporation the short term unsecured debt obligations or commercial paper of which are rated at least "A-1" by S&P, "P-1" by Moody's and "F1" by Fitch (and the long term unsecured debt obligations of such depository institution are rated at least "A" by Fitch) in the case of accounts in which funds are held for thirty (30) days or less or, in the case of accounts in which funds are held for more than thirty (30) days, the long term unsecured debt obligations of which are rated at least (i) "A" by S&P, (ii) "A" by Fitch (and the short term deposits or short term unsecured debt obligations or commercial paper of such depository institution are rated no less than "F1" by Fitch), and (iii) "A2" by Moody's, or in the case of Letters of Credit, the long term unsecured debt obligations of which are rated at least (i) "A+" by S&P, (ii) "A+" by Fitch (and the short term deposits or short term unsecured debt obligations or commercial paper of such depository institution are rated no less than "F1" by Fitch) and (iii) "A1" by Moody's; provided, however, for purposes of the Deposit Bank, the definition of Eligible Institution shall have the meaning set forth in the Cash Management Agreement.

"***Environmental Indemnity***" shall mean that certain Environmental Indemnity Agreement dated as of the date hereof executed by Borrowers and Guarantor in connection with the Loan for the benefit of Lender.

"***ERISA Affiliate***" shall mean any trade or business (whether or not incorporated) which is a member of the same controlled group of corporations or group of trades or businesses under common control with Borrowers (or any Borrower) or the Guarantor, or is treated as a single employer together with Borrowers (or any Borrower) or the Guarantor under Section 414 of the Code or Title IV of ERISA.

"***Fiscal Year***" shall mean each twelve (12) month period commencing on January 1 and ending on December 31 during each year of the Term.

"***Fitch***" shall mean Fitch, Inc.

"***GAAP***" shall mean generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession), or in such other statements by such entity as may be in general use by significant segments of the U.S. accounting profession.

"***Governmental Authority***" shall mean any court, board, agency, department, committee, commission, central bank, office or authority of any nature whatsoever (including any political subdivision or instrumentality thereof) for any governmental or quasi-governmental unit (whether federal, state, commonwealth, county, district, municipal, city, parish, provincial or otherwise) (whether of the government of the United States or any other nation) now or hereafter in existence (including any supra-national bodies such as the European Union or the European Central Bank and any intergovernmental organizations such as the United Nations).

"***Gross Revenue***" shall mean all revenue derived from the ownership and operation of the Properties from whatever source, including Rents and any Insurance Proceeds (whether or not Lender elects to treat any such Insurance Proceeds as business or rental interruption Insurance Proceeds pursuant to Section 5.4(f) hereof).

"***Guarantor Financial Covenants***" shall mean those covenants set forth in Section 5.2 of the Guaranty.

"***Guarantors***" shall mean, collectively, David Sobelman, an individual, and Generation Income Properties, L.P., a Delaware limited partnership, having an address at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602, or any other Person that now or hereafter guarantees the obligations of any Borrower under any Loan Document.

"***Guaranty***" shall mean that certain Guaranty of Recourse Obligations of even date herewith from Guarantors for the benefit of Lender.

"***Indebtedness***" shall mean, for any Person, without duplication: (i) all indebtedness of such Person for borrowed money, for amounts drawn under a letter of credit, or for the deferred purchase price of property for which such Person or its assets is liable, (ii) all unfunded amounts under a loan agreement, letter of credit, or other credit facility for which such Person would be liable if such amounts were advanced thereunder, (iii) all amounts required to be paid by such Person as a guaranteed payment to partners or a preferred or special dividend, including any mandatory redemption of shares or interests, (iv) all indebtedness guaranteed by such Person, directly or indirectly, (v) all obligations under leases that constitute capital leases for which such Person is liable, (vi) all obligations of such Person under interest rate swaps, caps, floors, collars and other interest hedge agreements, in each case for which such Person is liable or its assets are liable, whether such Person (or its assets) is liable contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss, (vii) all obligations under any PACE Loans and (viii) any other contractual obligation for the payment of money which are not settled within thirty (30) days.

"***Independent***" shall mean, when used with respect to any Person, a Person who: (i) does not have any direct financial interest or any material indirect financial interest in any Borrower or in any Affiliate of any Borrower, (ii) is not connected with any Borrower or any Affiliate of any Borrower as an officer, employee, promoter, underwriter, trustee, partner, member, manager, creditor, director, supplier, customer or person performing similar functions and (iii) is not a member of the immediate family of a Person defined in (i) or (ii) above.

"***Independent Accountant***" shall mean (i) MaloneBailey LLP (provided that Lender reserves the right to disapprove MaloneBailey LLP if, in Lender's reasonable opinion, MaloneBailey LLP is not preparing the requisite financial statements in accordance with the applicable terms and conditions of this Agreement and the other Loan Documents or such certified public accountant is not reasonably qualified to provide such services (including, without limitation, due to the loss of a CPA license or an indictment for fraud)), (ii) a firm of nationally recognized, certified public accountants which is Independent and which is selected by Borrowers and reasonably acceptable to Lender or (iii) such other certified public accountant(s) selected by Borrowers, which is Independent and reasonably acceptable to Lender.

"***Interest Rate***" shall mean a rate of percent (%) per annum.

"***Key Principal(s)***" shall mean David Sobelman.

"***Lease***" shall mean any lease, sublease or sub-sublease, letting, license, concession or other agreement (whether written or oral and whether now or hereafter in effect) pursuant to which any Person is granted a possessory interest in, or right to use or occupy, all or any portion of any space in a Property, and every modification, amendment or other agreement (whether written or oral and whether now or hereafter in effect) relating to such lease, sublease, sub-sublease or other agreement entered into in connection with such lease, sublease,sub-sublease or other agreement, and every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto, whether before or after the filing by or against any Borrower of any petition for relief under the Bankruptcy Code.

"***Lease Sweep Lease***" shall mean (i) that certain Commercial Lease dated August 30, 2016 by and between J Square Realty and Development Corp. and Starbucks Corporation, as the same may be amended, supplemented or otherwise modified from time to time in accordance with this Agreement (the "***Starbucks Lease***"); (ii) that certain Building Lease dated July 18, 2012 by and between ZS14, LLC and7-Eleven, Inc., as the same may be amended, supplemented or otherwise modified from time to time in accordance with this Agreement (the "***7-Eleven Lease***"); (iii) that certain Lease Agreement dated September 24, 2003 by and between Greenbrier Partners, LLC and CTA, Inc., as the same may be amended, supplemented or otherwise modified from time to time in accordance with this Agreement (the "***Pratt & Whitney Lease***"); or (iv) any replacement Lease that, either individually, or when taken together with any other Lease with the same Tenant or its Affiliates, and assuming the exercise of all expansion rights and all preferential rights to lease additional space contained in such Lease, covers the majority of the applicable Lease Sweep Space.

"***Lease Sweep Lease Termination Payments***" shall mean, collectively, all sums paid with respect to any rejection, termination, surrender or cancellation of any Lease Sweep Lease (including in any Lease Sweep Tenant Party Insolvency Proceeding) or any lease buy-out or surrender payment from any Lease Sweep Tenant Party (including any payment relating to unamortized tenant improvements and/or leasing commissions and/or application of any security deposit).

"***Lease Sweep Period***"

(i) shall commence on the first Monthly Payment Date following the occurrence of any of the following:

(a) with respect to each Lease Sweep Lease, the earlier to occur of:

1. twelve (12) months prior to the earliest stated expiration (including the stated expiration of any renewal term) of a Lease Sweep Lease;

2. upon the date required under a Lease Sweep Lease by which the Lease Sweep Tenant Party is required to give notice of its exercise of a renewal option thereunder (and such renewal has not been so exercised);

(b) with respect to the Pratt & Whitney Lease, the earlier to occur of:

1. twelve (12) months prior to January 31, 2024; and

2. the receipt by Borrower or Manager of notice from any Tenant under a Lease Sweep Lease exercising its right to terminate its Lease Sweep Lease;

(c) the date that a Lease Sweep Lease (or any material portion thereof) is surrendered, cancelled or terminated prior to its then current expiration date or the receipt by a Borrower or Manager of notice from any Lease Sweep Tenant Party under a Lease Sweep Lease either exercising its right to or evidencing its intent to surrender, cancel or terminate the Lease Sweep Lease (or any material portion thereof prior to its then current expiration date);

(d) the date that any Lease Sweep Tenant Party shall discontinue its business (i.e., "goes dark") at its Lease Sweep Space at the Property (or any material portion thereof) or give notice that it intends to discontinue its business at its Lease Sweep Space at the Property (or any material portion thereof);

(e) upon a default under a Lease Sweep Lease by the Lease Sweep Tenant Party that continues beyond any applicable notice and cure period; or

(f) the occurrence of a Lease Sweep Tenant Party Insolvency Proceeding; and

(ii) shall end upon the first to occur of the following:

(A) in the case of clauses (i)(a), (i)(b), (i)(c) and (i)(d) above, the entirety of the Lease Sweep Space (or applicable portion thereof) is leased pursuant to one or more Qualified Leases and, in Lender's reasonable judgment, sufficient funds have been accumulated in the Lease Sweep Account (during the continuance of the subject Lease Sweep Period) to cover all anticipated Approved Lease Sweep Space Leasing Expenses, free rent periods, and/or rent abatement periods set forth in all such Qualified Leases and any shortfalls in required payments hereunder or Operating Expenses as a result of any anticipated down time prior to the commencement of payments under such Qualified Leases;

(B) in the case of clause (i)(a) above, the date on which the subject Tenant under the Lease Sweep Lease irrevocably exercises its renewal or extension option (or otherwise enters into an extension agreement with Borrower and acceptable to Lender) with respect to all of its Lease Sweep Space, and in Lender's reasonable judgment, sufficient funds have been accumulated in the Lease Sweep Account (during the continuance of the subject Lease Sweep Period) to cover all anticipated Approved Lease Sweep Space Leasing Expenses, free rent periods and/or rent abatement periods in connection with such renewal or extension;

(C) in the case of clause (i)(b) above, if such termination option is not validly exercised by the Tenant under the Pratt & Whitney Lease by the latest exercise date specified in the Pratt & Whitney Lease or is otherwise validly and irrevocably waived in writing by the related Tenant;

(D) in the case of clause (i)(e) above, the date on which the subject default has been cured, and no other default under such Lease Sweep Lease occurs for a period of six (6) consecutive months following such cure; and

(E) in the case of clause (i)(f) above, either (a) the applicable Lease Sweep Tenant Party Insolvency Proceeding has terminated and the applicable Lease Sweep Lease has been affirmed, assumed or assigned in a manner reasonably satisfactory to Lender or (b) the applicable Lease Sweep Lease has been assumed and assigned to a third party in a manner reasonably satisfactory to Lender.

"***Lease Sweep Space***" shall mean the space demised under the applicable Lease Sweep Lease.

"***Lease Sweep Tenant Party***" shall mean a Tenant under a Lease Sweep Lease or its direct or indirect parent company (if any).

"*Lease Sweep Tenant Party Insolvency Proceeding*" shall mean (A) the admission in writing by any Lease Sweep Tenant Party of its inability to pay its debts generally, or the making of a general assignment for the benefit of creditors, or the instituting by any Lease Sweep Tenant Party of any proceeding seeking to adjudicate it insolvent or seeking a liquidation or dissolution, or the taking advantage by any Lease Sweep Tenant Party of any Insolvency Law (as hereinafter defined), or the commencement by any Lease Sweep Tenant Party of a case or other proceeding naming it as debtor under any Insolvency Law or the instituting of a case or other proceeding against or with respect to any Lease Sweep Tenant Party under any Insolvency Law or (B) the instituting of any proceeding against or with respect to any Lease Sweep Tenant Party seeking liquidation of its assets or the appointment of (or if any Lease Sweep Tenant Party shall consent to or acquiesce in the appointment of) a receiver, liquidator, conservator, trustee or similar official in respect of it or the whole or any substantial part of its properties or assets or the taking of any corporate, partnership or limited liability company action in furtherance of any of the foregoing. As used herein, the term "***Insolvency Law***" shall mean Title 11 of the United States Code (11 U.S.C. §§ 101 et seq.) as the same has been or may be amended or superseded from time to time, or any other applicable domestic or foreign liquidation, conservatorship, bankruptcy, receivership, insolvency, reorganization, or any similar debtor relief laws affecting the rights, remedies, powers, privileges and benefits of creditors generally.

"***Legal Requirements***" shall mean all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities affecting the Loan, any Secondary Market Transaction with respect to the Loan, any Borrower or any Property or any part thereof or the construction, use, alteration or operation thereof, or any part thereof, whether now or hereafter enacted and in force, including, without limitation, the Securities Act, the Exchange Act, Regulation AB, the rules and regulations promulgated pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, zoning and land use laws, the Americans with Disabilities Act of 1990, and all permits, licenses and authorizations and regulations relating thereto, and all covenants,

agreements, restrictions and encumbrances contained in any instruments, either of record or known to any Borrower, at any time in force affecting any Property or any part thereof, including any which may (i) require repairs, modifications or alterations in or to any Property or any part thereof, or (ii) in any way limit the use and enjoyment thereof.

"***Letter of Credit***" shall mean an irrevocable, unconditional, transferable (without payment of any transfer fee), clean sight draft letter of credit acceptable to Lender and the Rating Agencies (either an evergreen letter of credit or one which does not expire until at least thirty (30) Business Days after the Stated Maturity Date) in favor of Lender and entitling Lender to draw thereon in New York, New York, issued by a domestic Eligible Institution or the U.S. agency or branch of a foreign Eligible Institution. If at any time the bank issuing any such Letter of Credit shall cease to be an Eligible Institution, Lender shall have the right immediately to draw down the same in full and hold the proceeds of such draw in accordance with the applicable provisions hereof.

"***Lien***" shall mean any mortgage, deed of trust, lien (statutory or otherwise), pledge, hypothecation, easement, restrictive covenant, preference, assignment, security interest, PACE Loan or any other encumbrance, charge or transfer of, or any agreement to enter into or create any of the foregoing, on or affecting all or any portion of any Property or any interest therein, or any direct or indirect interest in any Borrower or any SPC Party, including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, the filing of any financing statement, and mechanic's, materialmen's and other similar liens and encumbrances.

"***Loan***" shall mean the loan in the original principal amount of Eleven Million Two Hundred Eighty-Seven Thousand Five Hundred and 00/100 Dollars ($11,287,500.00) made by Lender to Borrowers pursuant to this Agreement.

"***Loan Documents***" shall mean, collectively, this Agreement, the Note, the Mortgages, the Assignments of Leases, the Cash Management Agreement, the Clearing Account Agreement, the Assignment of Agreements, the Environmental Indemnity, the Assignment of Management Agreement, and the Guaranty and any other documents, agreements and instruments now or hereafter evidencing, securing or delivered to Lender in connection with the Loan, as the same may be (and each of the foregoing defined terms shall refer to such documents as they may be) amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Loan to Value Ratio***" shall mean the ratio, as of a particular date, in which the numerator is equal to the Outstanding Principal Balance of the Loan and any New Mezzanine Loan (excluding the amount of any Defeased Note) and the denominator is equal to the appraised value of the Properties remaining subject to the Lien of the Loan Documents, based on Acceptable Appraisals.

"***Low DSCR Period***" shall commence if, as of any Calculation Date, the Debt Service Coverage Ratio is less than 1.25:1.00 and shall end if the Properties have achieved a Debt Service Coverage Ratio of at least 1.30:1.00 for two consecutive Calculation Dates, as determined by Lender.

"***LTV Percentage***" shall mean the ratio calculated by Lender (expressed as a percentage) of (i) the then Outstanding Principal Balance of the Loan and any New Mezzanine Loan (excluding the amount of any Defeased Note) to (ii) the Appraised Value of the Properties remaining subject to the Lien of the Loan Documents after giving effect to the release of the Property in question.

"***Major Contract***" shall mean (i) any management, brokerage or leasing agreement, (ii) any cleaning, maintenance, service or other contract or agreement of any kind (other than Leases) of a material nature (materiality for these purposes to include, without limitation, contracts which extend beyond one year (unless cancelable on thirty (30) days or less notice without requiring the payment of termination fees or payments of any kind)), or (iii) any contract or agreement with an Affiliate of Borrowers, in any case relating to the ownership, leasing, management, use, operation, maintenance, repair or restoration of any Property, whether written or oral.

"***Major Lease***" shall mean any Lease which, either individually, or when taken together with any other Lease with the same Tenant or its Affiliates, and assuming the exercise of all expansion rights and all preferential rights to lease additional space contained in such Lease, (i) covers more than Two Thousand Two Hundred (2,200) rentable square feet, (ii) contains an option or other preferential right to purchase all or any portion of any Property, (iii) is with an Affiliate of any Borrower as Tenant, or (iv) is entered into during the continuance of a Trigger Period.

"***Management Agreement***" shall mean the management agreement entered into by and between a Borrower and the current Manager or any replacement management agreement entered into by and between a Borrower and a Manager in accordance with the terms of the Loan Documents, in each case, pursuant to which the Manager is to provide management and other services with respect to the Property owned by such Borrower.

"***Manager***" shall mean 3 Properties, LLC, a Florida limited liability company, or any other manager engaged in accordance with the terms and conditions of the Loan Documents.

"***Material Alteration***" shall mean any alteration affecting structural elements of the Improvements, utility or HVAC system contained in any Improvements or the exterior of any Property, the cost of which exceeds the Alteration Threshold; provided, however, that in no event shall (i) any Required Repairs, (ii) any tenant improvement work performed pursuant to any Lease existing on the date hereof or entered into hereafter in accordance with the provisions of this Agreement, or (iii) alterations performed as part of a Restoration, constitute a Material Alteration.

"***Maturity Date***" shall mean the date on which the final payment of principal of the Note (or the Undefeased Note, if applicable) becomes due and payable as herein and therein provided, whether at the Stated Maturity Date, by declaration of acceleration, extension or otherwise.

"***Maximum Legal Rate***" shall mean the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the indebtedness evidenced by the Note and as provided for herein or the other Loan Documents, under the laws of such Governmental Authority whose laws are held by any court of competent jurisdiction to govern the interest rate provisions of the Loan.

"***Mezzanine Trigger Period***" shall commence and continue for so long as any New Mezzanine Loan is outstanding.

"***Monthly Debt Service Payment Amount***" shall mean [ ].

"***Monthly Operating Expense Budgeted Amount***" shall mean the monthly amount set forth in the Approved Annual Budget for operating expenses for the calendar month in which such Monthly Payment Date occurs; provided that management fees payable to Manager as part of the Monthly Operating Expense Budgeted Amount shall not exceed 3% of Rents ("***Management Fee Cap***").

"***Monthly Payment Date***" shall mean the sixth (6th) day of every calendar month occurring during the Term. The first Monthly Payment Date shall be April 6, 2020.

"***Moody's***" shall mean Moody's Investors Service, Inc.

"***Mortgage(s)***" shall mean each first priority Mortgage or Deed of Trust, Assignment of Leases and Rents, and Security Agreement, dated the date hereof, executed and delivered by each Borrower as security for the Loan and encumbering the Property owned by such Borrower, as any of the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"***Net Sales Proceeds***" shall mean, with respect to the sale of any Property, the gross proceeds of such sale less all reasonable and customary transaction costs approved by Lender in its reasonable discretion (provided that in no event shall Net Sales Proceeds be less than ninety-four percent (94%) of the gross proceeds of any such sale).

"***NRSRO***" shall mean any credit rating agency that has elected to be treated as a nationally recognized statistical rating organization for purposes of Section 15E of the Exchange Act, without regard to whether or not such credit rating agency has been engaged by Lender or its designees in connection with, or in anticipation of, a Securitization.

"***Obligations***" shall mean, collectively, Borrowers' obligations for the payment of the Debt and the performance of the Other Obligations.

"***Occupancy Conditions***" shall mean the delivery by Borrowers to Lender of evidence reasonably satisfactory to Lender (including an estoppel certificate executed by the relevant Tenant(s)) that (A) the entire subject Lease Sweep Space is tenanted under one or more Qualified Leases, (B) each such Tenant has taken occupancy of the entire space demised to such Tenant, (C) all contingencies under all such Lease(s) to the effectiveness of the Lease(s) have been satisfied, (D) all leasing commissions payable in connection with any such Lease have been paid and all tenant improvement obligations or other landlord obligations of an inducement nature have either been completed or paid in full or, alternatively, sufficient funds will be retained in the Lease Sweep Account for such purposes (the "***Unpaid TILC Obligation Amount***"), (E) such Tenant has actually commenced paying full contractual rent under the applicable Lease and any initial free rent period or period of partial rent abatements has expired or, alternatively, sufficient funds will be retained in the Lease Sweep Account to account for all remaining scheduled free rent periods or rent abatements (the "***Remaining Rent Abatement Amount***" and, collectively with the Unpaid TILC Obligation Amount, the "***Unpaid Landlord Obligations Amount***") and (F) the rent commencement date under all such Lease(s) has been set.

"***Officer's Certificate***" shall mean a certificate delivered to Lender by a Borrower which is signed by an authorized senior officer of aBorrower or an SPC Party.

"***Open Prepayment Date***" shall mean December 6, 2029.

"***Operating Expenses***" shall mean, for any period, without duplication, all expenses actually paid or payable by Borrowers during such period in connection with the operation, management, maintenance, repair and use of the Properties, determined on an accrual basis, and, except to the extent otherwise provided in this definition, in accordance with GAAP. Operating Expenses specifically shall include (i) all expenses incurred in the immediately preceding twelve (12) month period based on quarterly financial statements delivered to Lender in accordance with Section 4.9.2 hereof, (ii) all payments required to be made pursuant to any Operations Agreements, (iii) property management fees in an amount equal to the management fees actually paid under the Management Agreements, (iv) administrative, payroll, security and general expenses for the Properties, (v) the cost of utilities, inventories and fixed asset supplies consumed in the operation of the Properties, (vi) a reasonable reserve for uncollectible accounts, (vii) costs and fees of Independent professionals (including, without limitation, legal, accounting, consultants and other professional expenses), technical consultants, operational experts (including quality assurance inspectors) or other third parties retained to perform services required or permitted hereunder, (viii) cost of attendance by employees at training and manpower development programs, (ix) association dues, (x) computer processing charges, (xi) operational equipment and other lease payments, (xii) Taxes and Other Charges (other than income taxes or Other Charges in the nature of income taxes) and insurance premiums and (xiii) all underwritten reserves required by Lender hereunder (without duplication). Notwithstanding the foregoing, Operating Expenses shall not include (1) depreciation or amortization, (2) income taxes or Other Charges in the nature of income taxes, (3) any expenses (including legal, accounting and other professional fees, expenses and disbursements) incurred in connection with the making of the Loan or the sale, exchange, transfer, financing or refinancing of all or any portion of the Properties or in connection with the recovery of Insurance Proceeds or Awards which are applied to prepay the Note, (4) Capital Expenditures, (5) Debt Service, and (6) any item of expense which would otherwise be considered within Operating Expenses pursuant to the provisions above but is paid directly by any Tenant.

"***Operations Agreements***" shall mean the REA, and any other covenants, restrictions, easements, declarations or agreements of record relating to the construction, operation or use of any Property, together with all amendments, modifications or supplements thereto.

"***Other Charges***" shall mean all ground rents, maintenance charges, impositions other than Taxes and any other charges, including vault charges and license fees for the use of vaults, chutes and similar areas adjoining any Property, now or hereafter levied or assessed or imposed against any Property or any part thereof.

"***Other Obligations***" shall mean (a) the performance of all obligations of Borrowers contained herein; (b) the performance of each obligation of Borrowers contained in any other Loan Document; and (c) the performance of each obligation of Borrowers contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of this Agreement, the Note or any other Loan Document.

"***Outstanding Principal Balance***" shall mean, as of any date, the outstanding principal balance of the Loan.

"***PACE Loan***" shall mean (x) any "Property-Assessed Clean Energy loan" or (y) any other indebtedness, without regard to the name given to such indebtedness, which is (i) incurred for improvements to any Property for the purpose of increasing energy efficiency, increasing use of renewable energy sources, resource conservation, or a combination of the foregoing, and (ii) repaid through multi-year assessments against any Property.

"***Patriot Act***" shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT ACT) of 2001, as the same was restored and amended by Uniting and Strengthening America by Fulfilling Rights and Ensuring Effective Discipline Over Monitoring Act (USA FREEDOM ACT) of 2015 and as the same may be further amended, extended, replaced or otherwise modified from time to time, and any corresponding provisions of future laws.

"***Permitted Encumbrances***" shall mean, collectively, (i) the Liens and security interests created by the Loan Documents, (ii) all encumbrances and other matters disclosed in the Title Insurance Policies, (iii) Liens, if any, for Taxes or Other Charges imposed by any Governmental Authority not yet due or delinquent, (iv) any workers', mechanics' or other similar Liens on a Property provided that any such Lien is bonded or discharged within thirty (30) days after a Borrower first receives written notice of such Lien or which is being contested in good faith in accordance with the requirements of Section 4.3 and (v) such other title and survey exceptions as Lender has approved or may approve in writing in Lender's reasonable discretion.

"***Person***" shall mean any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, any other entity, any Governmental Authority and any fiduciary acting in such capacity on behalf of any of the foregoing.

"***Physical Conditions Report***" shall mean those certain Property Condition Reports, prepared by Partner Assessment Corporation and each dated as of December 5, 2019.

"***Prepayment Fee***" shall mean an amount equal to the greater of (i) the Yield Maintenance Amount, or (ii) five percent (5%) of the unpaid principal balance of the Note as of the Repayment Date.

"***Prepayment Notice***" shall mean a prior irrevocable written notice to Lender specifying the proposed Business Day on which a prepayment of the Debt is to be made pursuant to Section 2.4 hereof, which date must be a Monthly Payment Date and shall be no earlier than thirty (30) days after the date of such Prepayment Notice and no later than sixty (60) days after the date of such Prepayment Notice.

"***Properties***" shall mean, collectively, the Unit, the Common Elements, parcels of real property, the Unit, the Common Elements, and Improvements now or hereafter erected or installed thereon and all personal property owned by Borrowers and encumbered by the Mortgages; together with all rights pertaining to such Unit, Common Elements, real property, and Improvements, and all other collateral for the Loan as more particularly described in the Granting Clauses of the Mortgages. The location of each Property is identified on **Schedule VII**.

"***Qualified Lease***" means either: (A) the original Lease Sweep Lease, as extended in accordance with (i) the express renewal option set forth in such Lease Sweep Lease and, with respect to which, the terms of such renewal are on market terms with respect to, among other things, base rent, additional rent and recoveries and tenant improvement allowances or (ii) a modification of the Lease Sweep Lease approved by Lender, or (B) a replacement lease (i) with a term that extends at least two (2) years beyond the end of the Loan Term and with an initial term of at least five (5) years; (ii) entered into in accordance with this Agreement; and (iii) on market terms with respect to, among other things, base rent, additional rent and recoveries and tenant improvement allowances.

"***Qualified Manager***" shall mean (i) so long as Borrowers are Controlled by Key Principal, a property management company owned and/or Controlled by Key Principal or (ii) an Unaffiliated Qualified Manager.

"***Qualified Transferee***" shall mean a transferee for whom, prior to the Transfer, Lender shall have received and approved: (x) reasonably satisfactory evidence that the proposed transferee (1) has never been indicted or convicted of, or pled guilty or no contest to, a felony, (2) has never been indicted or convicted of, or pled guilty or no contest to, a Patriot Act Offense and is not on any Government List, (3) has never been the subject of a voluntary or involuntary (to the extent the same has not been discharged) bankruptcy proceeding and (4) has no material outstanding judgments against such proposed transferee and (y) Satisfactory Search Results with respect to such proposed transferee.

"***Rating Agencies***" shall mean any nationally-recognized statistical rating organization (e.g. Standard & Poor's Ratings Services, Moody's Investor Service, Inc., Fitch, Inc., DBRS, Inc. or any successor thereto) that has been or will be engaged by Lender or its designees in connection with, or in anticipation of, a Securitization.

"***Rating Agency Confirmation***" shall mean a written affirmation from each of the Rating Agencies that the credit rating of the Securities by such Rating Agency immediately prior to the occurrence of the event with respect to which such Rating Agency Confirmation is sought will not be qualified, downgraded or withdrawn as a result of the occurrence of such event, which affirmation may be granted or withheld in such Rating Agency's sole and absolute discretion.

"***REA***" shall mean, collectively, those certain agreement(s) more particularly described on **Schedule VIII** attached hereto and made a part hereof, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

"***Regulation AB***" shall mean Regulation AB under the Securities Act and the Exchange Act, as such Regulation may be amended from time to time.

"***Regulatory Change***" shall mean, at any time hereafter, (i) any change in any Legal Requirement (including by repeal, amendment or otherwise) or in the interpretation or application thereof by any central bank or other Governmental Authority or (ii) any new or revised request, guidance or directive issued by any central bank or other Governmental Authority and applicable to Lender.

"***Related Loan***" shall mean a loan to an Affiliate of any Borrower or any Guarantor or secured by a Related Property, that is included in a Securitization with the Loan, and any other loan that is cross-collateralized with the Loan.

"***Related Property***" shall mean a parcel of real property, together with improvements thereon and personal property related thereto, that is "related" within the meaning of the definition of Significant Obligor, to any Property.

"***Release Amount***" shall mean, with respect to any Property released pursuant to Section 2.5.2, the greater of (i) 100% of the Net Sales Proceeds with respect to such Property and (ii) 125% of the Allocated Loan Amount for such Property.

"***REMIC Trust***" shall mean a "real estate mortgage investment conduit" within the meaning of Section 860D of the Code that holds the Note.

"***Rents***" shall mean all rents, rent equivalents, moneys payable as damages (including payments by reason of the rejection of a Lease in a bankruptcy proceeding) or in lieu of rent or rent equivalents, royalties (including all oil and gas or other mineral royalties and bonuses), income, fees, receivables, receipts, revenues, deposits (including security, utility and other deposits), accounts, cash, issues, profits, charges for services rendered, and other payment and consideration of whatever form or nature received by or paid to or for the account of or benefit of each Borrower, Manager or any of their respective agents or employees from any and all sources arising from or attributable to each Property, and the Improvements including all receivables, signage income, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of each Property or rendering of services by a Borrower, Manager or any of their respective agents or employees, and Insurance Proceeds, if any, from business interruption or other loss of income insurance, but only to the extent such Insurance Proceeds are treated as business or rental interruption Insurance Proceeds pursuant to Section 5.4(f) hereof.

"***Repayment Date***" shall mean the date of a defeasance or prepayment (as applicable) of the Loan pursuant to the provisions of Section 2.4 hereof.

"***Reserve Funds***" shall mean, collectively, all funds deposited by a Borrower with Lender or Deposit Bank pursuant to Article 6 of this Agreement, including, but not limited to, the Capital Expenditure Funds, the Insurance Funds, the Tax Funds, the Required Repair Funds, the Casualty and Condemnation Funds, the Common Charges Funds, the Lease Sweep Funds, the Cash Collateral Funds and the Rollover Funds.

"***Restoration***" shall mean the repair, restoration and re-tenanting of a Property after a Casualty or Condemnation as nearly as possible to the condition such Property was in immediately prior to such Casualty or Condemnation, with such alterations as may be reasonably approved by Lender.

"***Restoration DSCR***" shall mean, as of any date of determination, the ratio of (a) the Underwritten Net Cash Flow of the Property, based on (x) annualized in place Rents or annualized Rents under Leases that are reasonably expected by Lender to remain in place following the completion of such Restoration and (y) expenses on a pro forma basis, to (b) an amount equal to the annual Debt Service.

"***S&P***" shall mean Standard & Poor's Ratings Group, a division of the McGraw-Hill Companies.

"***Satisfactory Search Results***" shall mean, with respect to any Person, (A) reasonably satisfactory completion by Lender of its anti-financial crime and "know your customer" procedures (internal or otherwise), including receipt of credit history, litigation, judgment, and

other related searches, each of which are satisfactory to Lender in all respects and (B) confirmation reasonably satisfactory to Lender that such Person does not violate any Anti-Money Laundering Laws and is not on any Government List.

"***Scheduled Defeasance Payments***" shall mean (i) in the case of a Full Defeasance, the Monthly Interest Payment Amount or Monthly Debt Service Payment Amount (as applicable) required under the Note (or, to the extent that there has been a previous Partial Defeasance, Undefeased Note, as the case may be) for all Monthly Payment Dates occurring after the Release Date (including the Outstanding Principal Balance on the Note (or Undefeased Note, as the case may be) as of the Stated Maturity Date) and (ii) in the case of a Partial Defeasance, the Monthly Interest Payment Amount or Monthly Debt Service Payment Amount (as applicable) multiplied by the Defeasance Percentage for all Monthly Payment Dates occurring after the Release Date (including the Outstanding Principal Balance on the Note (or Undefeased Note, as the case may be) as of the Stated Maturity Date).

"***Significant Obligor***" shall have the meaning set forth in Item 1101(k) of Regulation AB under the Securities Act.

"***Special Taxes***" shall mean any and all present or future taxes, levies, imposts, deductions, charges or withholdings, or any liabilities with respect thereto, including those arising after the Closing Date as a result of the adoption of or any change in law, treaty, rule, regulation, guideline or determination of a Governmental Authority or any change in the interpretation or application thereof by a Governmental Authority but excluding, in the case of Lender, such taxes (including income taxes, franchise taxes and branch profit taxes) as are imposed on or measured by Lender's net income by the United States of America or any Governmental Authority of the jurisdiction under the laws under which Lender is organized or maintains a lending office.

"***State***" shall mean Alabama, the District of Columbia, and/or Florida, as applicable.

"***Stated Maturity Date***" shall mean March 6, 2030.

"***Survey***" shall mean a survey of each Property prepared by a surveyor licensed in the State and reasonably satisfactory to Lender and the company or companies issuing the Title Insurance Policies, and containing a certification of such surveyor reasonably satisfactory to Lender.

"***Swap Rate***" shall mean the yield calculated by the linear interpolation of mid-market swap yields, as reported on Reuters Capital Markets screen 19901 (SEMI-BOND column), with maturities (one longer and one shorter) most nearly approximating the Stated Maturity Date (in the event Reuters Capital Markets screen 19901 is no longer available, Lender shall select a comparable publication to determine such yield).

"***Taxes***" shall mean (i) all real estate taxes, assessments, water rates or sewer rents (collectively, "***Real Estate Taxes***") and (ii) personal property taxes, in each case now or hereafter levied or assessed or imposed against the Properties or any part thereof, together with all interest and penalties thereon. In no event shall any PACE Loan be considered a Tax for purposes of this Agreement.

"***Tenant***" shall mean any Person obligated by contract or otherwise to pay monies (including a percentage of gross income, revenue or profits) under any Lease now or hereafter affecting all or any part of a Property.

"***Term***" shall mean the entire term of this Agreement, which shall expire upon repayment in full of the Debt and full performance of each and every obligation to be performed by Borrowers pursuant to the Loan Documents.

"***Title Insurance Policies***" shall mean ALTA mortgagee title insurance policies in the form acceptable to Lender issued with respect to each Property and insuring the Liens of the Mortgages.

"***Treasury Rate***" shall mean the yield calculated by the linear interpolation of the yields, as reported in Federal Reserve Statistical Release H.15 Selected Interest Rates under the heading U.S. Government Securities/Treasury Constant Maturities for the week ending prior to the Repayment Date, of U.S. Treasury constant maturities with maturity dates (one longer and one shorter) most nearly approximating the Stated Maturity Date. (In the event Release H.15 is no longer published, Lender shall select a comparable publication to determine the Treasury Rate.)

"***TRIPRA***" shall mean the Terrorism Risk Insurance Program Reauthorization Act of 2015 or any replacement, reauthorization or extension thereof.

"***Trigger Period***" shall commence upon the occurrence of (i) an Event of Default, (ii) the commencement of a Low DSCR Period, (iii) the commencement of a Mezzanine Trigger Period, or (iv) the commencement of a Lease Sweep Period; and shall end if, (A) with respect to a Trigger Period continuing pursuant to clause (i), the Event of Default commencing the Trigger Period has been cured and such cure has been accepted by Lender (and no other Event of Default is then continuing) or (B) with respect to a Trigger Period continuing due to clause (ii), the Low DSCR Period has ended pursuant to the terms hereof, (C) with respect to a Trigger Period continuing due to clause (iii), the Mezzanine Trigger Period has ended pursuant to the terms hereof, or (D) with respect to a Trigger Period continuing due to clause (iv), such Lease Sweep Period has ended pursuant to the terms hereof (and no other Lease Sweep Period is then continuing).

"***Trustee***" shall mean any trustee holding the Loan in a Securitization.

"***UCC***" or "***Uniform Commercial Code***" shall mean the Uniform Commercial Code as in effect in the State (with respect to fixtures), the State of New York or the state in which any of the Cash Management Accounts are located, as the case may be.

"***Unaffiliated Qualified Manager***" shall mean an unaffiliated property manager of any Property that (A) is a reputable, nationally or regionally recognized management company having at least five (5) years' experience in the management of properties that are similar to the Properties as to quality, location and type, (B) at the time of its engagement as property manager has (x) leasable square footage of the same property type as such Property equal to the lesser of 1,000,000 leasable square feet in the aggregate and five (5) times the leasable square feet of such Property and (y) managed at least ten (10) properties that are similar to the Properties as to quality, location and type and (C) is not the subject of a bankruptcy or similar insolvency proceeding.

"***Underwritten Net Cash Flow***" shall mean, as of the end of any calendar quarter for which Underwritten Net Cash Flow is determined (or such other date for which Underwritten Net Cash

Flow is determined) the excess of: (a) the sum of: (i) annualized actual in place base rents received by Borrowers under bona fide Leases at the Properties with Tenants in occupancy, open for business and paying full, unabated rent as of the date of such calculation and actual percentage rents received by Borrowers under such Leases for the twelve (12) months preceding such calculation; *plus* (ii) for the twelve (12) month period preceding the month in which such Underwritten Net Cash Flow is calculated, (x) monthly recoveries actually received by Borrower under bona fide existing Leases at the Properties during such twelve (12) month calculation period and (y) actual rent and revenue received by Borrowers from other sources at the Properties to the extent such receipts are recurring in nature and derived from ordinary course operations of the Properties for such twelve month calculation period; *over* (b) for the twelve (12) month period preceding the month in which such Underwritten Net Cash Flow is calculated, Operating Expenses over such twelve months, in each case adjusted to reflect Lender's determination of: (i) a vacancy factor equal to the greater of (A) the actual vacancy rate at the Properties, and (B) 5% of the rentable area of the Properties; (ii) intentionally omitted; (iii) subtraction of (A) an imputed capital improvement requirement amount equal to $0.20 per rentable square foot at the Properties per annum (regardless of whether a reserve therefor is required hereunder or the amount of such reserve), and (B) an imputed tenant improvement and leasing commission requirement amount equal to $1.02 per rentable square foot at the Properties per annum (the "***Imputed TILC Amount***") (regardless of whether a reserve therefor is required hereunder or the amount of such reserve; provided, however, the Imputed TILC Amount shall not be subtracted so long as Monthly Rollover Deposits are suspended pursuant to Section 6.6.3 hereof); (iv) an adjustment so that property management fees are equal to the greater of three percent (3%) of Rents and the property management fees actually paid under the Management Agreement; (v) exclusion of (X) amounts representing non-recurring items and (Y) amounts received from (1) Tenants not currently in occupancy and paying full, unabated rent, (2) Tenants affiliated with Borrower or any Guarantor, (3) Tenants in default or in bankruptcy, (4) Tenants under month-to-month Leases, (5) Tenants under Leases where the term is set to expire in the next succeeding calendar quarter or (6) Tenants under Leases where the Tenant thereunder has given notice of intent to vacate in the next succeeding calendar quarter; (vi) Taxes and Insurance Premiums payable for the twelve (12) month period succeeding such calculation; and (vii) such other adjustments deemed necessary by Lender based upon Lender's reasonable underwriting criteria and Lender's reasonable determination of Rating Agency underwriting and evaluation criteria. Lender shall calculate Underwritten Net Cash Flow in good faith and such calculation methodology shall be applied consistently with similar loans of the same property type as the Property and shall be final absent manifest error.

"***Unit***" shall mean Unit 1A, as further described in the Condominium Documents and on**Exhibit A** attached hereto and made a part hereof.

"***U.S. Obligations***" shall mean securities evidencing an obligation to timely pay principal and/or interest in a full and timely manner that are (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged, and (ii) not subject to prepayment, call or early redemption.

"***Yield Maintenance Amount***" shall mean the present value, as of the Repayment Date, of the remaining scheduled payments of principal and interest from the Repayment Date through the Stated Maturity Date (including any balloon payment) determined by discounting such payments at the Discount Rate, less the amount of principal being prepaid on the Repayment Date.

Section 1.2 Index of Other Definitions. The following terms are defined in the sections or Loan Documents as indicated below:

"*7-Eleven Lease*" – 1.1 (Definition of "Lease Sweep Lease")
"*Acceptable Blanket Policy*" - 5.1.1(c)
"*Accounts*" - 6.1
"*Act*" - Schedule V
"*Agreement*" - Introductory Paragraph
"*Alabama Property*" – Schedule VII
"*Anti-Corruption Obligation*" - 4.33
"*Approved Annual Budget*" – 4.9.5
"*Approved Extraordinary Operating Expense*" – 4.9.6
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"*Available Cash*" – 6.13.1
"*Bail-In Action*" – 10.28
"*Bail-In Legislation*" – 10.28
"*Board of Directors*" – 3.1.38
"*Borrowers*" – Introductory Paragraph
"*Borrowers' Additional Recourse Liabilities*" – 10.1
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"*Broker*" – 10.19
"*Capital Expenditure Account*" – 6.5.1
"*Capital Expenditure Funds*" – 6.5.1
"*Cash Collateral Account*" – 6.12
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"*Cash Management Accounts*" – 6.14
"*Casualty*" – 5.2
"*Casualty and Condemnation Account*" – 6.11
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"*Casualty Consultant*" – 5.4(b)(iii)
"*Casualty Retainage*" – 5.4(b)(iv)
"*Cause*" - Schedule V
"*Clearing Account*" – 6.1
"*Clearing Bank*" – 6.1
"*Committee*" - Schedule V
"*Common Charges Account*" – 6.9
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"*Condemnation Proceeds*" – 5.4(b)
"*Conditional Resignation*" – 4.3.5(e)
"*Condominium*" – Mortgages
"*DC Property*" – Schedule VII
"*Debt Service Account*" – Cash Management Agreement
"*Defeasance Lockout Expiration Date*" – 2.4.2(a)
"*Defeasance Security Agreement*" – 2.4.2(a)(iii)
"*Defeased Note*" – 2.4.2(a)(iii)
"*Disclosure Document*" – 9.2(a)
"*Easements*" – 3.1.11
"*EEA Financial Institution*" – 10.28

"*EEA Member Country*" – 10.28
"*EEA Resolution Authority*" – 10.28
"*Embargoed Person*" – 4.32(c)
"*Equipment*" – Mortgages
"*ERISA*" – 4.31
"*EU Bail-In Legislation Schedule*" – 10.28
"*Event of Default*" – 8.1
"*Exchange Act*" – 9.2(a)
"*Exchange Act Filing*" – 9.1(d)
"*Extraordinary Operating Expense*" – 4.9.6
"*Flood Insurance Acts*" – 5.1.1(a)(i)
"*Florida Property*" – Schedule VII
"*Full Defeasance*" – 2.4.2(a)
"*Government Lists*" – 4.32(b)
"*Guaranteed Insurance Shortfall Amount*" – 10.1
"*Improvements*" – Mortgages
"*Increased Costs*" – 10.24.1
"*Indemnified Liabilities*" – 4.30
"*Independent Director*" – Schedule V
"*Independent Manager*" – Schedule V
"*Initial Interest Period*" – 2.3.1
"*Insurance Account*" – 6.4.1
"*Insurance Funds*" - 6.4.1
"*Insurance Premiums*" – 5.1.1(b)
"*Insurance Proceeds*" – 5.4(b)
"*Intellectual Property*" – 3.1.33
"*Interest Period*" – 2.3.2
"*Key Principal Estate*" – 7.2(g)(v)
"*Lease Sweep Account*" – 6.10.1
"*Lease Sweep Funds*" – 6.10.1
"*Lease Termination Payments*" – 6.6.1(b)(i)
"*Lender*" – Introductory Paragraph
"*Lender Group*" – 9.2(b)
"*Liabilities*" – 9.2(b)
"*Licenses*" – 3.1.9
"*Liquidated Damages Amount*" – 2.4.5(b)
"Management Fee Cap" – 1.1 (Definition of "Monthly Operating Expense Budgeted Amount")
"*Monthly Interest Payment Amount*" – 2.3.1
"*Monthly Rollover Deposits*" – 6.6.1(a)
"*Nationally Recognized Service Company*" – Schedule V
"*Net Proceeds*" – 5.4(b)
"*Net Proceeds Deficiency*" – 5.4(b)(vi)
"*New Mezzanine Loan*" – 9.3.2
"*New Mezzanine Loan Borrower*" – 9.3.2
"*Note*" – 2.1.3
"*Notice*" – 10.6
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"*Other Taxes*" – 10.24.3

"*Partial Defeasance*" – 2.4.2(a)
"*Patriot Act Offense*" – 4.32(b)
"*Permitted Condo Amendment*" – 4.35
"*Permitted Indebtedness*" – 4.21
"*Permitted Investments*" – Cash Management Agreement
"*Permitted Transfer*" – 7.2
"*PML*" – 5.1.1(a)
"*Pratt & Whitney Lease*" – 1.1 (Definition of "Lease Sweep Lease")
"*Policies*" – 5.1.1(b)
"*Qualified Carrier*" – 5.1.1(i)
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"*Real Estate Taxes*" – 1.1 (Definition of "Taxes")
"*Release Date*" – 2.4.2(a)(i)
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"*Required Records*" – 4.9.7
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"*Servicer*" – 10.21
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"*Sole Member*" – Schedule V
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"*Special Purpose Bankruptcy Remote Entity*" – Schedule V
"*Springing Recourse Event*" – 10.1
"*Starbucks Lease*" – 1.1 (Definition of "Lease Sweep Lease")
"*Successor Borrower*" – 2.4.2(b)
"*Tax Account*" – 6.3.1
"*Tax Funds*" – 6.3.1
"*Total Condo Casualty*" – 10.1
"*Transfer*" – 4.2
"*Transfer and Assumption*" – 7.1
"*Transferee Borrower*" – 7.1
"*Transferee Guarantor*" – 7.1
"*Undefeased Note*" – 2.4.2(a)(iii)
"*Underwriter Group*" – 9.2(b)
"*Unpaid Landlord Obligations Amount*" – 1.1 (*Definition of Occupancy Conditions*)
"*Unpaid TILC Obligation Amount*" – 1.1 (*Definition of Occupancy Conditions*)
"*Updated Information*" – 9.1(b)(i)
"*Write-Down and Conversion Powers*" – 10.28

Section 1.3 Principles of Construction. All references to sections and schedules are to sections and schedules in or to this Agreement unless otherwise specified. Unless otherwise specified, the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement or any other Loan Document shall refer to this Agreement or such other Loan Document as a whole and not to any particular provision hereof or thereof. When used in this Agreement or any other Loan Document, the word "including" shall mean "including but not limited to". Unless otherwise specified, all meanings attributed to defined terms herein shall be equally applicable to both the singular and plural forms of the terms so defined.

ARTICLE 2

THE LOAN

Section 2.1 The Loan.

2.1.1 Agreement to Lend and Borrow. Subject to and upon the terms and conditions set forth herein, Lender shall make the Loan to Borrowers and each Borrower shall accept the Loan from Lender on the Closing Date.

2.1.2 Single Disbursement to Borrowers. Borrowers shall receive only one borrowing hereunder in respect of the Loan and any amount borrowed and repaid hereunder in respect of the Loan may not be reborrowed.

2.1.3 The Note. The Loan shall be evidenced by that certain Promissory Note of even date herewith, in the stated principal amount of Eleven Million Two Hundred Eighty Seven Thousand Five Hundred and 00/100 Dollars ($11,287,500.00) executed by Borrowers and payable to the order of Lender in evidence of the Loan (as the same may hereafter be amended, supplemented, restated, increased, extended or consolidated from time to time, the "***Note***") and shall be repaid in accordance with the terms of this Agreement, the Note and the other Loan Documents.

2.1.4 Use of Proceeds. Borrowers shall use proceeds of the Loan to (i) pay and discharge any existing loans relating to the Properties, (ii) pay all past-due Taxes, Insurance Premiums, Common Charges, and Other Charges, if any, in respect of the Properties, (iii) make initial deposits of the Reserve Funds, (iv) pay costs and expenses incurred in connection with the closing of the Loan, and (v) to the extent any proceeds remain after satisfying clauses (i) through (iv) above, for such lawful purpose as Borrowers shall designate (including, but not limited to, distributing such proceeds to Generation Income Properties, L.P. for it to use as it sees fit), provided such purpose does not violate the terms of any Loan Documents.Section 2.2 Interest Rate

Section 2.2 Interest Rate.

2.2.1 Interest Rate. Interest on the Outstanding Principal Balance shall accrue throughout the Term at the Interest Rate.

2.2.2 **Default Rate**. In the event that, and for so long as, any Event of Default shall have occurred and be continuing, the Outstanding Principal Balance and, to the extent not prohibited by applicable law, all other portions of the Debt, shall accrue interest at the Default Rate, calculated from the date such payment was due or such Default shall have occurred without regard to any grace or cure periods contained herein. Interest at the Default Rate shall be paid immediately upon demand, which demand may be made as frequently as Lender shall elect, to the extent not prohibited by applicable law.

2.2.3 **Interest Calculation**. Interest on the Outstanding Principal Balance shall be calculated by multiplying (A) the actual number of days elapsed in the period for which the calculation is being made by (B) a daily rate based on a three hundred sixty (360) day year (that is, the Interest Rate expressed as an annual rate divided by 360) by (C) the Outstanding Principal Balance. The accrual period for calculating interest due on each Monthly Payment Date shall be the Interest Period immediately prior to such Monthly Payment Date.

2.2.4 **Usury Savings**. This Agreement and the other Loan Documents are subject to the express condition that at no time shall Borrowers be required to pay interest on the Outstanding Principal Balance at a rate which could subject Lender to either civil or criminal liability as a result of being in excess of the Maximum Legal Rate. If by the terms of this Agreement or the other Loan Documents, Borrowers are at any time required or obligated to pay interest on the Outstanding Principal Balance at a rate in excess of the Maximum Legal Rate, the Interest Rate shall be deemed to be immediately reduced to the Maximum Legal Rate and all previous payments in excess of the Maximum Legal Rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the sums due under the Loan, shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full stated term of the Loan until payment in full so that the rate or amount of interest on account of the Loan does not exceed the Maximum Legal Rate from time to time in effect and applicable to the Loan for so long as the Loan is outstanding.

Section 2.3 **Loan Payments**.

2.3.1 **Payments**. On the date hereof, Borrowers shall pay interest on the unpaid Outstanding Principal Balance from the Closing Date through and including March 5, 2020 (the "***Initial Interest Period***"). On April 6, 2020 and each Monthly Payment Date thereafter through and including the Monthly Payment Date immediately preceding the Amortization Commencement Date, Borrowers shall make a payment of interest on the Outstanding Principal Balance accrued at the Interest Rate during the Interest Period immediately preceding such Monthly Payment Date (the "***Monthly Interest Payment Amount***"). On the Amortization Commencement Date and each Monthly Payment Date thereafter during the Term, Borrowers shall make a payment of principal and interest equal to the Monthly Debt Service Payment Amount (including, from and after any Partial Defeasance, any payments received under any Defeased Note). The Monthly Debt Service Payment Amount shall be applied first to accrued and unpaid interest and the balance to the Outstanding Principal Balance. Borrowers shall also pay to Lender all amounts required in respect of Reserve Funds as set forth in Article 6 hereof.

2.3.2 **Payments Generally**. After the Initial Interest Period, each interest accrual period thereafter (each, an "***Interest Period***") shall commence on the sixth (6th) day of each calendar

month during the Term and shall end on and include the fifth (5th) day of the next occurring calendar month. For purposes of making payments hereunder, but not for purposes of calculating interest accrual periods, if the day on which such payment is due is not a Business Day, then amounts due on such date shall be due on the immediately preceding Business Day. Lender shall have the right from time to time prior to Securitization, in its sole discretion, upon not less than ten (10) days prior written notice to Borrowers, to change the Monthly Payment Date to a different calendar day and, if requested by Lender, Borrowers shall promptly execute an amendment to this Agreement to evidence such change; provided, however, that if Lender shall have elected to change the Monthly Payment Date as aforesaid, Lender shall have the option, but not the obligation, to adjust the Interest Period accordingly. With respect to payments of principal due on the Maturity Date, interest shall be payable at the Interest Rate, through and including the day immediately preceding such Maturity Date. All amounts due pursuant to this Agreement and the other Loan Documents shall be payable without setoff, counterclaim, defense or any other deduction whatsoever.

2.3.3 Payment on Maturity Date. Borrowers shall pay to Lender on the Maturity Date the Outstanding Principal Balance, all accrued and unpaid interest and all other amounts due hereunder and under the Note, the Mortgages and the other Loan Documents.

2.3.4 Late Payment Charge. If any principal, interest or any other sum due under the Loan Documents (other than the Outstanding Principal Balance due and payable on the Maturity Date) is not paid by Borrowers on the date on which it is due, Borrowers shall pay to Lender upon demand an amount equal to the lesser of five percent (5%) of such unpaid sum or the maximum amount permitted by applicable law in order to defray the expense incurred by Lender in handling and processing such delinquent payment and to compensate Lender for the loss of the use of such delinquent payment. Any such amount shall be secured by the Mortgages and the other Loan Documents to the extent permitted by law.

2.3.5 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments and prepayments under this Agreement and the Note shall be made to Lender not later than 2:00 p.m., New York City time, on the date when due and shall be made in lawful money of the United States of America in immediately available funds at Lender's office or at such other place as Lender shall from time to time designate, and any funds received by Lender after such time shall, for all purposes hereof, be deemed to have been paid on the next succeeding Business Day.

(b) Whenever any payment to be made hereunder or under any other Loan Document shall be stated to be due on a day which is not a Business Day, the due date thereof shall be the immediately preceding Business Day.

(c) All payments required to be made by Borrowers hereunder or under the Note or the other Loan Documents shall be made irrespective of, and without deduction for, any setoff, claim or counterclaim and shall be made irrespective of any defense thereto.

Section 2.4 Prepayments.

2.4.1 Prepayments. Except as otherwise provided herein, Borrowers shall not have the right to prepay the Loan in whole or in part prior to the Stated Maturity Date.

2.4.2 Defeasance.

(a) Conditions to Defeasance. Provided no Event of Default has occurred and is continuing, at any time after the date which is the earlier of: (A) two (2) years after the "startup day," within the meaning of Section 860G(a)(9) of the Code, of the final "real estate mortgage investment conduit," established within the meaning of Section 860D of the Code, that holds any note that evidences all or any portion of the Loan or (B) three (3) years after the date hereof (the "***Defeasance Lockout Expiration Date***"), Borrowers shall have the right to voluntarily defease the entire amount of the Principal (a "***Full Defeasance***") or, in connection with a Property release pursuant to Section 2.5.2, a portion of the Principal (a "***Partial Defeasance***") upon the satisfaction of the following conditions:

(i) not less than sixty (60) days prior written notice shall be given to Lender specifying a date (the "***Release Date***") on which the Defeasance Collateral is to be delivered, such Release Date to occur only on a Monthly Payment Date;

(ii) all accrued and unpaid interest and all other sums due under the Note and under the other Loan Documents up to the Release Date, including, without limitation, all out-of-pocket costs and expenses incurred by Lender or its agents in connection with such release (including, without limitation, the reasonable fees and expenses incurred by attorneys and accountants in connection with the review of the proposed Defeasance Collateral and the preparation of the Defeasance Security Agreement and related documentation), shall be paid in full on or prior to the Release Date; and

(iii) Borrowers shall deliver to Lender on or prior to the Release Date:

(A) the Defeasance Collateral, each of which shall be duly endorsed by the holder thereof as directed by Lender or accompanied by a written instrument of transfer in form and substance wholly satisfactory to Lender (including, without limitation, such instruments as may be required by the depository institution holding such securities to effectuate book-entry transfers and pledges through the book-entry facilities of such institution) in order to create a first priority security interest therein in favor of the Lender in conformity with all applicable state and federal laws governing granting of such security interests;

(B) a pledge and security agreement, in form and substance satisfactory to Lender in its reasonable discretion, creating a first priority security interest in favor of Lender in the Defeasance Collateral (the "***Defeasance Security Agreement***"), which shall provide, among other things, that any payments generated by the Defeasance Collateral shall be paid directly to Lender and applied by Lender in satisfaction of all amounts then due and payable hereunder and any excess received by Lender from the Defeasance Collateral over the amounts payable by Borrowers hereunder or under the Note shall be refunded to Borrowers promptly after each Monthly Payment Date;

(C) a certificate of Borrowers certifying that all of the requirements set forth in this Section 2.4.2 have been satisfied;

(D) an opinion of counsel for Borrowers in form and substance and delivered by counsel satisfactory to Lender in its reasonable discretion stating, among other things, that (1) Lender has a perfected first priority security interest in the Defeasance Collateral and that the Defeasance Security Agreement is enforceable against Borrowers in accordance with its terms; and (2) that any REMIC Trust formed pursuant to a Securitization will not fail to maintain its status as a "real estate mortgage investment conduit" within the meaning of Section 860D of the Code as a result of such defeasance;

(E) in the case of a Partial Defeasance, the execution and delivery by Borrowers of all necessary documents to amend and restate the Note and issue two (2) substitute notes: one having a principal balance equal to the defeased portion of the original Note (the "***Defeased Note***") and the other having a principal balance equal to the undefeased portion of the original Note (the "***Undefeased Note***"). The Defeased Note and Undefeased Note shall have terms identical to the terms of the Note, except for the principal balance and a pro rata allocation of the Monthly Debt Service Payment Amount. (After a Partial Defeasance, all references hereunder and in the other Loan Documents to "***Note***" shall be deemed to mean the Undefeased Note, unless expressly provided to the contrary.) A Defeased Note cannot be the subject of any further defeasance;

(F) at Lender's request, a Rating Agency Confirmation from each applicable Rating Agency or each such Rating Agency as is required by Lender;

(G) a certificate from a firm of independent public accountants reasonably acceptable to Lender certifying that the Defeasance Collateral is sufficient to satisfy the provisions of Section 2.4.2(a)(iii)(A) above;

(H) such other certificates, documents or instruments as Lender may reasonably require; and

(I) in connection with the conditions set forth above in this Section 2.4.2(a)(iii), Borrowers hereby appoints Lender as its agent and attorney in fact for the purpose of using the amounts delivered pursuant to Section 2.4.2(a)(iii)(A) above to purchase the Defeasance Collateral.

(b) Successor Borrower. Upon the defeasance of the Loan under this Section 2.4.2, Borrowers may, or at the option of Lender shall, in the case of a Full Defeasance, assign all of its Obligations, or, in the case of a Partial Defeasance, assign all of its Obligations under the associated Defeased Note, together with the pledged Defeasance Collateral, to a successor entity designated by Lender in its sole discretion or, at the option of Lender, designated by Borrowers and approved by Lender (in each case, the "***Successor Borrower***"). Lender shall have the right to establish or designate the Successor Borrower and to purchase, or cause to be purchased, the Defeasance Collateral, which rights may be exercised in Lender's sole discretion and shall be retained by the Lender named herein notwithstanding the transfer or securitization of the Loan. Such successor entity shall execute an assumption agreement in form and substance reasonably satisfactory to Lender pursuant to which it shall assume Borrowers' Obligations and the Defeasance Security Agreement. As conditions to such assignment and assumption, Borrowers

shall (i) deliver to Lender an opinion of counsel in form and substance and delivered by counsel satisfactory to Lender in its reasonable discretion stating, among other things, that such assumption agreement is enforceable against Borrowers and such successor entity in accordance with its terms and that the Note, the Defeasance Security Agreement and the other Loan Documents, as so assumed, are enforceable against such successor entity in accordance with their respective terms, and (ii) pay all out-of-pocket costs and expenses incurred by Lender or its agents in connection with such assignment and assumption (including, without limitation, the review of the proposed transferee and the preparation of the assumption agreement and related documentation). Additionally, Borrowers shall pay all out-of-pocket costs and expenses incurred by Successor Borrower, including reasonable attorneys' fees and expenses, incurred in connection therewith. In connection with a transfer of the Defeasance Collateral to the Successor Borrower, Borrowers shall, as a condition to such defeasance, deliver or cause to be delivered a non-consolidation opinion in form and substance reasonably satisfactory to Lender and the Rating Agencies. Upon such assumption, Borrowers shall be relieved of their Obligations hereunder, under the other Loan Documents and under the Defeasance Security Agreement other than those Obligations which are specifically intended to survive the termination, satisfaction or assignment of this Agreement or the exercise of Lender's rights and remedies hereunder.

(c) Appointment as Attorney in Fact. Upon the defeasance of the Loan in accordance with clauses (a) and (b) of this Section 2.4.2, Borrowers shall have no further right to prepay the Note (or in the case of a Partial Defeasance, the Defeased Note) pursuant to the other provisions of this Section 2.4.2 or otherwise. In connection with the conditions set forth in this Section 2.4.2, Borrowers hereby appoints Lender as its agent and attorney-in-fact for the purpose of purchasing the Defeasance Collateral with funds provided by Borrowers. Borrowers shall pay any and all out-of-pocket expenses incurred in the purchase of the Defeasance Collateral and any revenue, documentary stamp or intangible taxes or any other tax or charge due in connection with the transfer of the Note or otherwise required to accomplish the agreements of this Section 2.4.2.

2.4.3 Open Prepayment. Notwithstanding anything to the contrary contained herein, and provided that Borrowers shall deliver to Lender a Prepayment Notice, Borrowers may prepay the entire principal balance of the Note and any other amounts outstanding under the Note, this Agreement, or any of the other Loan Documents, without payment of the Prepayment Fee or any other prepayment premium, penalty or fee, on any Business Day on or after the Open Prepayment Date. If such prepayment is not made on a Monthly Payment Date, Borrowers shall also pay interest that would have accrued on the principal balance of the Note to, but not including, the next Monthly Payment Date.

2.4.4 Mandatory Prepayments. If Lender is not obligated to make Net Proceeds available to Borrowers for Restoration, on the next occurring Monthly Payment Date following the date on which (a) Lender actually receives any Net Proceeds, and (b) Lender has determined that such Net Proceeds shall be applied against the Debt, Borrowers shall prepay, or authorize Lender to apply Net Proceeds as a prepayment of, the Debt in an amount equal to one hundred percent (100%) of such Net Proceeds. Except during an Event of Default, such Net Proceeds shall be applied by Lender as follows in the following order of priority: *First,* to all amounts (other than principal and interest) then due and payable under the Loan Documents, including any out-of-pocket costs and expenses of Lender in connection with such prepayment; *Second*; accrued and unpaid interest at the Interest Rate; and *Third,* to principal. Notwithstanding anything herein to the contrary, so long as no Event of Default is continuing, no Prepayment Fee or any other

prepayment premium, penalty or fee shall be due in connection with any prepayment made pursuant to this Section 2.4.4. Any partial principal prepayment under this Section 2.4.4 shall be applied to the last payments of principal due under the Loan.

2.4.5 Prepayments After Default.

(a) If, during the continuance of an Event of Default, payment of all or any part of the Debt is tendered by any Borrower and accepted by Lender or is otherwise recovered by Lender (including through application of any Reserve Funds), such tender or recovery shall be deemed to be a voluntary prepayment by Borrowers in violation of the prohibition against prepayment set forth in Section 2.4.1 hereof, and Borrowers shall pay, as part of the Debt, all of: (i) all accrued interest at the Default Rate and, if such tender and acceptance is not made on a Monthly Payment Date, interest that would have accrued on the Debt to, but not including, the next Monthly Payment Date, (ii) an amount equal to the Prepayment Fee, and (iii) in the event the payment occurs on or prior to the Defeasance Lockout Expiration Date, the Liquidated Damages Amount.

(b) IF DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, ALL OR ANY PART OF THE LOAN IS REPAID ON OR PRIOR TO THE DEFEASANCE LOCKOUT EXPIRATION DATE, THEN BORROWERS SHALL PAY TO LENDER, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND IN ADDITION TO ANY AND ALL OTHER SUMS AND FEES PAYABLE UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AN AMOUNT EQUAL TO TEN PERCENT (10%) OF THE PRINCIPAL AMOUNT BEING REPAID (THE "***LIQUIDATED DAMAGES AMOUNT***").

2.4.6 Intentionally Omitted.

Section 2.5 Release of Properties.

2.5.1 Release Upon Defeasance. If Borrowers have elected a Full Defeasance and the requirements of Section 2.4.2 have been satisfied, the Properties shall be released from the Liens of the Mortgages and the other Loan Documents, and the Defeasance Collateral pledged pursuant to the Defeasance Security Agreement shall constitute the only collateral which shall secure the Note and all other Obligations. In connection with releases of Liens, Borrowers shall submit to Lender, not less than thirty (30) days prior to the Release Date (or such shorter time as is acceptable to Lender in its reasonable discretion), releases of Liens (and related Loan Documents) for execution by Lender. Such releases shall be in a form appropriate in the jurisdiction in which the Properties are located and contain standard provisions protecting the rights of the releasing lender. In addition, Borrowers shall provide all other documentation Lender reasonably requires to be delivered by Borrowers in connection with such release, together with an Officer's Certificate certifying that such documentation (i) is in compliance with all Legal Requirements, and (ii) will effect such release in accordance with the terms of this Agreement. Borrowers shall pay all costs, taxes and expenses associated with the releases of the Liens of the Mortgages, including Lender's reasonable attorneys' fees. Borrowers, pursuant to the Defeasance Security Agreement, shall authorize and direct that the payments received from Defeasance Collateral be made directly to Lender and applied to satisfy the Obligations, including payment in full of the Outstanding Principal Balance as of the Stated Maturity Date.

2.5.2 Sale of a Property. On any Business Day after the Defeasance Lockout Expiration Date, any Borrower may obtain its release from the Loan Documents and the release of any Property owned by it from the Lien of the Mortgage encumbering such Property (and related Loan Documents) thereon upon a bona fide, arms-length, third-party sale of such Property, provided each of the following conditions are satisfied:

(a) Both immediately before such sale and immediately thereafter, no Event of Default shall be continuing;

(b) The sale of such Property is pursuant to an arm's-length agreement to a third party not Affiliated with any Borrower or any Guarantor, and in which no Borrower and no Affiliate of any Borrower and/or any Guarantor has any beneficial interest;

(c) Borrowers shall:

(i) defease an amount of principal equal to the Release Amount for the Property in question and Borrowers shall satisfy all of the requirements of Section 2.4.2 with respect to such Partial Defeasance;

(ii) in the event that, after taking into account the partial defeasance pursuant to subclause (i) above, the loan-to-value ratio of the Properties then remaining subject to the Lien of the Loan Documents (such value to be determined by the Lender in its reasonable discretion based on a commercially reasonable valuation method permitted to a REMIC Trust and which shall exclude the value of personal property or going concern value, if any) is greater than one hundred and twenty-five percent (125%), the principal balance of the Loan must be prepaid by an amount such that the ratio of the unpaid principal balance of the Loan evidenced by the Undefeased Note (after taking into account any Partial Defeasance) to the value of the Properties securing such Undefeased Note is less than one hundred and twenty-five percent (125%) (such value to be determined by the Lender in its reasonable discretion based on a commercially reasonable valuation method permitted to a REMIC Trust and which shall exclude the value of personal property or going concern value, if any); and

(iii) if applicable, pay to Lender any Prepayment Fee on the principal being prepaid pursuant to subclause (ii) above; and

(iv) if applicable, pay all accrued and unpaid interest on any principal being prepaid pursuant to subclause (ii) above (including, if such prepayment is not made on a Monthly Payment Date, interest that would have accrued on such prepaid principal to, but not including, the next Monthly Payment Date);

(d) After giving effect to such sale, each remaining Borrower and each remaining SPC Party shall remain a Special Purpose Bankruptcy Remote Entity and the Borrower owning the Property being released shall dissolve and liquidate;

(e) After giving effect to such sale and Defeasance, the Debt Service Coverage Ratio for all of the Properties then remaining subject to the Liens of the Loan Documents shall be no less than the greater of (i) the Debt Service Coverage Ratio immediately preceding such sale and (ii) [ ]:1.00, which is the Debt Service Coverage Ratio as of the Closing Date;

(f) After giving effect to such sale and Defeasance, the LTV Percentage for all of the Properties then remaining subject to the Liens of the Loan Documents shall be no more than the lesser of (i) the LTV Percentage immediately preceding such sale and (ii) [ ]%, which is the LTV Percentage as of the Closing Date;

(g) The representations and warranties made by Borrowers and Guarantors in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of such sale (and after giving effect to such sale);

(h) Borrowers shall have given Lender at least twenty (20) days prior written notice of such sale, accompanied by a copy of the applicable contract of sale and all related documents, and drafts of any applicable release documents (which shall be subject to Lender's approval);

(i) Borrowers shall have delivered to Lender a copy of the final closing settlement statement for such sale on or prior to the date of the closing of such sale;

(j) Borrowers shall have paid to Lender all out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by Lender in connection with a sale of a Property;

(k) After giving effect to such transfer and Defeasance, the ratio of the unpaid principal balance of the Loan to the value of the Properties remaining subject to the Lien of the Loan Documents (such value to be determined by the Lender in its reasonable discretion based on a commercially reasonable valuation method permitted to a REMIC Trust and which shall exclude the value of personal property or going concern value, if any) is no more than one hundred and twenty-five percent (125%); and

(l) Borrowers and Guarantors shall execute and deliver such documents as Lender may reasonably request to confirm the continued validity of the Loan Documents and the Liens thereof.

2.5.3 Release on Payment in Full. Lender shall, upon the written request and at the expense of Borrowers, upon payment in full of the Debt in accordance with the terms and provisions of the Loan Documents, release the Liens of the Mortgages and cause the trustees under the Mortgages to reconvey the Properties to Borrowers. In connection with the release of the Liens, each Borrower shall submit to Lender, not less than thirty (30) days prior to the Repayment Date (or such shorter time as is acceptable to Lender in its reasonable discretion), a release of Lien (and related Loan Documents) for execution by Lender. Such release shall be in a form appropriate in the jurisdiction in which the Properties are located and contain standard provisions protecting the rights of the releasing lender. In addition, Borrowers shall provide all other documentation Lender reasonably requires to be delivered by Borrowers in connection with such release, together with an Officer's Certificate certifying that such documentation (i) is in compliance with all Legal Requirements, and (ii) will effect such release in accordance with the terms of this Agreement. Borrowers shall pay all out-of-pocket costs, taxes and expenses associated with the release of the Liens of the Mortgages, including Lender's reasonable attorneys' fees.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

Section 3.1 **Borrowers Representations**. Borrowers represent and warrant that, except to the extent (if any) disclosed on **Schedule IV** hereto with reference to a specific subsection of this Section 3.1:

3.1.1 **Organization; Special Purpose**. Each Borrower and each SPC Party is duly organized, validly existing and in good standing with full power and authority to own its assets and conduct its business, and is duly qualified and in good standing in the jurisdiction in which the Property owned by such Borrower is located and in all jurisdictions in which the ownership or lease of its property or the conduct of its business requires such qualification, and each Borrower has taken all necessary action to authorize the execution, delivery and performance of this Agreement and the other Loan Documents by it, and has the power and authority to execute, deliver and perform under this Agreement, the other Loan Documents and all the transactions contemplated hereby. Each Borrower and each SPC Party is a Special Purpose Bankruptcy Remote Entity.

3.1.2 **Proceedings; Enforceability**. This Agreement and the other Loan Documents have been duly authorized, executed and delivered by each Borrower that is a party to such Loan Document and constitute a legal, valid and binding obligation of such Borrower, enforceable against such Borrower in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). The Loan Documents are not subject to any right of rescission, set-off, counterclaim or defense by any Borrower, any SPC Party or any Guarantor including the defense of usury, nor would the operation of any of the terms of the Loan Documents, or the exercise of any right thereunder, render the Loan Documents unenforceable, and no Borrower, any SPC Party or any Guarantor has asserted any right of rescission, set-off, counterclaim or defense with respect thereto.

3.1.3 **No Conflicts**. The execution and delivery of this Agreement and the other Loan Documents by Borrowers and the performance of their Obligations hereunder and thereunder will not conflict with any provision of any law or regulation to which any Borrower is subject, or conflict with, result in a breach of, or constitute a default under, any of the terms, conditions or provisions of any Borrower's organizational documents or any agreement or instrument to which any Borrower is a party or by which it is bound, or any order or decree applicable to any Borrower, or result in the creation or imposition of any Lien on any Borrower's assets or property (other than pursuant to the Loan Documents).

3.1.4 **Litigation**. There is no action, suit, proceeding or investigation pending or, to the best of Borrowers' knowledge, threatened against any Borrower, any SPC Party, any Guarantor, the Manager or any Property in any court or by or before any other Governmental Authority which, if adversely determined, might materially and adversely affect the condition (financial or otherwise) or business of such Borrower (including the ability of such Borrower to carry out the transactions contemplated by this Agreement), such SPC Party, such Guarantor, Manager or the condition or ownership of such Property.

3.1.5 **Agreements**. No Borrower is a party to any agreement or instrument or subject to any restriction which might materially and adversely affect any Borrower or any Property, or any Borrower's business, properties or assets, operations or condition, financial or otherwise. No Borrower is in default with respect to any order or decree of any court or any order, regulation or demand of any Governmental Authority, which default might have consequences that would materially and adversely affect the condition (financial or other) or operations of such Borrower or its properties or might have consequences that would adversely affect its performance hereunder. No Borrower is in default in any material respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Permitted Encumbrance or any other agreement or instrument to which it is a party or by which it or any Property is bound.

3.1.6 **Consents**. No consent, approval, authorization or order of any court or Governmental Authority is required for the execution, delivery and performance by Borrowers of, or compliance by Borrowers with, this Agreement or the other Loan Documents or the consummation of the transactions contemplated hereby, other than those which have been obtained by Borrowers.

3.1.7 **Properties; Title**.

(a) Borrowers have good, marketable and insurable fee simple title to the real property comprising part of the Properties and good title to the balance of the Properties owned by it, free and clear of all Liens whatsoever except the Permitted Encumbrances. The Mortgages, when properly recorded in the appropriate records, together with any Uniform Commercial Code financing statements required to be filed in connection therewith, will create (i) valid, first priority, perfected Liens on Borrowers' interest in the Properties, subject only to Permitted Encumbrances, and (ii) perfected security interests in and to, and perfected collateral assignments of, all personalty (including the Leases), all in accordance with the terms thereof, in each case subject only to the Permitted Encumbrances. There are no mechanics', materialman's or other similar Liens or claims which have been filed for work, labor or materials affecting any Property which are or may be Liens prior to, or equal or coordinate with, the Liens of the Mortgages. None of the Permitted Encumbrances, individually or in the aggregate, (a) materially interfere with the benefits of the security intended to be provided by the Mortgages and this Agreement, (b) materially and adversely affect the value of the applicable Property, (c) impair the use or operations of the applicable Property (as currently used), or (d) impair Borrowers' ability to pay its Obligations in a timely manner.

(b) All transfer taxes, deed stamps, intangible taxes or other amounts in the nature of transfer taxes required to be paid under applicable Legal Requirements in connection with the transfer of the Properties to Borrowers have been paid or are being paid simultaneously herewith. All mortgage, mortgage recording, stamp, intangible or other similar tax required to be paid under applicable Legal Requirements in connection with the execution, delivery, recordation, filing, registration, perfection or enforcement of any of the Loan Documents, including the Mortgages, have been paid or are being paid simultaneously herewith. All taxes and governmental assessments due and owing in respect of the Properties have been paid, or an escrow of funds in an amount sufficient to cover such payments has been established hereunder or are insured against by the Title Insurance Policies.

(c) Each Property is comprised of one (1) or more parcels which constitute separate tax lots and do not constitute a portion of any other tax lot not a part of such Property.

(d) No Condemnation or other proceeding has been commenced or, to Borrowers' best knowledge, is contemplated with respect to all or any portion of any Property or for the relocation of roadways providing access to such Property.

(e) There are no pending or proposed special or other assessments for public improvements or otherwise affecting any Property, nor are there any contemplated improvements to such Property that may result in such special or other assessments.

3.1.8 **ERISA; No Plan Assets**. As of the date hereof and throughout the Term (i) Borrowers, Guarantors and the ERISA Affiliates do not sponsor, are not obligated to contribute to, and are not themselves an "employee benefit plan," as defined in Section 3(3) of ERISA or Section 4975 of the Code, (ii) none of the assets of Borrowers or Guarantors constitutes or will constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. Section 2510.3-101 as modified in operation by Section 3(42) of ERISA, (iii) Borrowers and Guarantors are not and will not be a "governmental plan" within the meaning of Section 3(32) of ERISA, and (iv) transactions by or with any Borrower or any Guarantor are not and will not be subject to state statutes regulating investment of, and fiduciary obligations with respect to, governmental plans. As of the date hereof, no Borrower, nor any ERISA Affiliate maintains, sponsors or contributes to or has any obligations with respect to a "defined benefit plan" (within the meaning of Section 3(35) of ERISA) or a "multiemployer pension plan" (within the meaning of Section 3(37)(A) of ERISA). Borrowers have not engaged in any transaction in connection with which it could be subject to either a material civil penalty assessed pursuant to the provisions of Section 502 of ERISA or a material tax imposed under the provisions of Section 4975 of the Code.

3.1.9 **Compliance**. Each Borrower and each Property (including, but not limited to the Improvements) and the use thereof comply in all material respects with all applicable Legal Requirements, including parking, building and zoning and land use laws, ordinances, regulations and codes of any Governmental Authority. No Borrower is in default or violation of any order, writ, injunction, decree or demand of any Governmental Authority, the violation of which might materially adversely affect the condition (financial or otherwise) or business of any Borrower. No Borrower has committed any act which may give any Governmental Authority the right to cause such Borrower to forfeit the Property owned by such Borrower or any part thereof or any monies paid in performance of such Borrower's Obligations under any of the Loan Documents. Each Property is used exclusively for retail, office, and manufacturing, as applicable, and other appurtenant and related uses. In the event that all or any part of the Improvements are destroyed or damaged, said Improvements can be legally reconstructed to their condition prior to such damage or destruction, and thereafter exist for the same use without violating any zoning or other ordinances applicable thereto and without the necessity of obtaining any variances or special permits. No legal proceedings are pending or, to Borrowers' knowledge, threatened with respect to the zoning of any Property. Neither the zoning nor any other right to construct, use or operate any Property is in any way dependent upon or related to any property other than such Property. All certifications, permits, licenses and approvals, including without limitation, certificates of completion and occupancy permits required of Borrowers for the legal use, occupancy and operation of the Properties for their current uses (collectively, the "***Licenses***"), have been obtained and are in full force and effect. The use being made of each Property is in conformity with the certificate of occupancy issued for such Property and all other restrictions, covenants and conditions affecting such Property.

3.1.10 **Financial Information**. All financial data, including the statements of cash flow and income and operating expense, that have been delivered to Lender in connection with the Loan (i) are true, complete and correct in all material respects, (ii) accurately represent the financial condition of the Properties as of the date of such reports, and (iii) have been prepared in accordance with GAAP throughout the periods covered, except as disclosed therein. No Borrower has any contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments that are known to any Borrower and reasonably likely to have a materially adverse effect on any Property or the operation thereof, except as referred to or reflected in said financial statements. Since the date of the financial statements, there has been no material adverse change in the financial condition, operations or business of any Borrower or any Property from that set forth in said financial statements.

3.1.11 **Easements; Utilities and Public Access**. All easements, cross easements, licenses, air rights and rights-of-way or other similar property interests (collectively, "***Easements***"), if any, necessary for the full utilization of the Improvements for their intended purposes have been obtained, are described in the Title Insurance Policies and are in full force and effect without default thereunder. Each Property has rights of access to public ways and is served by water, sewer, sanitary sewer and storm drain facilities adequate to service such Property for its intended uses. All public utilities necessary or convenient to the full use and enjoyment of each Property are located in the public right-of-way abutting such Property, and all such utilities are connected so as to serve such Property without passing over other property absent a valid irrevocable easement. All roads necessary for the use of each Property for its current purpose have been completed and dedicated to public use and accepted by all Governmental Authorities.

3.1.12 **Assignment of Leases**. The Assignments of Leases creates valid assignments of, or valid security interests in, certain rights under the Leases, subject only to a license granted to Borrowers to exercise certain rights and to perform certain obligations of the lessor under the Leases, including the right to operate the Properties. No Person other than Lender has any interest in or assignment of the Leases or any portion of the Rents due and payable or to become due and payable thereunder.

3.1.13 **Insurance**. Borrowers have obtained and has delivered to Lender original or complete copies of all of the Policies, with all premiums prepaid thereunder, reflecting the insurance coverages, amounts and other requirements set forth in this Agreement. No claims have been made under any of the Policies, and no Person, including Borrowers, has done, by act or omission, anything which would impair the coverage of any of the Policies.

3.1.14 **Flood Zone**. With respect to each Property, no Improvements are located in an area identified by the Federal Emergency Management Agency as a special flood hazard area, or, if so located the flood insurance required pursuant to Section 5.1.1(a) hereof is in full force and effect with respect to such Property.

3.1.15 **Physical Condition**. Except as may be expressly set forth in the Physical Conditions Reports, each Property, including all buildings, improvements, parking facilities, sidewalks, storm drainage systems, roofs, plumbing systems, HVAC systems, fire protection systems, electrical systems, equipment, elevators, exterior sidings and doors, landscaping,

irrigation systems and all structural components, are in good condition, order and repair in all material respects; there exists no structural or other material defects or damages in any Property, whether latent or otherwise, and no Borrower has received notice from any insurance company or bonding company of any defects or inadequacies in any Property, or any part thereof, which would adversely affect the insurability of the same or cause the imposition of extraordinary premiums or charges thereon or any termination or threatened termination of any policy of insurance or bond.

3.1.16 **Boundaries**. All of the Improvements which were included in determining the appraised value of each Property lie wholly within the boundaries and building restriction lines of such Property, and no improvements on adjoining properties encroach upon any Property, and no easements or other encumbrances affecting any Property encroach upon any of the Improvements, so as to affect the value or marketability of such Property, except those which are set forth on the Survey of such Property and insured against by the Title Insurance Policy for such Property.

3.1.17 **Leases**. The rent rolls attached hereto as**Schedule I** are true, complete and correct and no Property is subject to any Leases other than the Leases described in **Schedule I**. Borrowers are the owners and lessors of landlord's interest in the Leases. No Person has any possessory interest in any Property or right to occupy the same except under and pursuant to the provisions of the Leases. Except as set forth on the rent rolls attached hereto as **Schedule I**: (i) the Leases are in full force and effect and there are no defaults thereunder by either party beyond any applicable notice or cure period, and there are no conditions that, with the passage of time or the giving of notice, or both, would constitute defaults thereunder, (ii) the copies of the Leases delivered to Lender are true and complete, and there are no oral agreements with respect thereto, (iii) no Rent (excluding security deposits) has been paid more than one (1) month in advance of its due date, (iv) all work to be performed by any Borrower under any Lease has been performed as required and has been accepted by the applicable Tenant, (v) any payments, free rent, partial rent, rebate of rent or other payments, credits, allowances or abatements required to be given by any Borrower to any Tenant has already been received by such Tenant, (vi) the Tenants under the Leases have accepted possession of and are in occupancy of all of their respective demised Property and have commenced the payment of full, unabated rent under the Leases, (vii) Borrowers have delivered to Lender a true, correct and complete list of all security deposits made by Tenants at any Property which have not been applied (including accrued interest thereon), all of which are held by Borrowers in accordance with the terms of the applicable Lease and applicable Legal Requirements, (viii) each Tenant under a Major Lease is free from bankruptcy or reorganization proceedings, (ix) no Tenant under any Lease (or any sublease) is an Affiliate of any Borrower, (x) the Tenants under the Leases are open for business and paying full, unabated rent and no Tenant has requested to discontinue its business at its premises, (xi) there are no brokerage fees or commissions due and payable in connection with the leasing of space at any Property, and no such fees or commissions will become due and payable in the future in connection with the Leases, including by reason of any extension of such Lease or expansion of the space leased thereunder, (xii) no Tenant under any Lease has any right or option for additional space in the Improvements and (xiii) no Tenant has assigned its Lease or sublet all or any portion of the premises demised thereby, no such Tenant holds its leased premises under assignment or sublease, nor does anyone except such Tenant and its employees occupy such leased premises. No Tenant under any Lease has a right or option pursuant to such Lease or otherwise to purchase all or any part of the leased premises or the building of which the leased premises are a part. There has been no prior sale, transfer or assignment, hypothecation or pledge of any Lease or of the Rents received therein which is still in effect.

3.1.18 **Tax Filings**. To the extent required, each Borrower has filed (or has obtained effective extensions for filing) all federal, state, commonwealth, district and local tax returns required to be filed and has paid or made adequate provision for the payment of all federal, state, commonwealth, district and local taxes, charges and assessments payable by such Borrower. Each Borrower's tax returns (if any) properly reflect the income and taxes of such Borrower for the periods covered thereby, subject only to reasonable adjustments required by the Internal Revenue Service or other applicable tax authority upon audit.

3.1.19 **No Fraudulent Transfer**. No Borrower has entered into the transaction or any Loan Document with the actual intent to hinder, delay, or defraud any creditor, and each Borrower has received reasonably equivalent value in exchange for its Obligations under the Loan Documents. Giving effect to the Loan, the fair saleable value of each Borrower's assets exceeds and will, immediately following the making of the Loan, exceed such Borrower's total liabilities, including subordinated, unliquidated, disputed and contingent liabilities. The fair saleable value of each Borrower's assets is, and immediately following the making of the Loan, will be, greater than such Borrower's probable liabilities, including the maximum amount of its contingent liabilities on its debts as such debts become absolute and matured. Each Borrower's assets do not and, immediately following the making of the Loan will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. No Borrower intends to, and does not believe that it will, incur Indebtedness and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such Indebtedness and liabilities as they mature (taking into account the timing and amounts of cash to be received by such Borrower and the amounts to be payable on or in respect of the obligations of such Borrower). No petition in bankruptcy has been filed against any Borrower or any constituent Person of such Borrower, and no Borrower or any constituent Person of such Borrower has ever made an assignment for the benefit of creditors or taken advantage of any insolvency act for the benefit of debtors. No Borrower or any constituent Persons of such Borrower are contemplating either the filing of a petition by it under any state or federal bankruptcy or insolvency laws or the liquidation of all or a major portion of such Borrower's assets or properties, and no Borrower has knowledge of any Person contemplating the filing of any such petition against it or such constituent Persons.

3.1.20 **Federal Reserve Regulations**. No part of the proceeds of the Loan will be used for the purpose of purchasing or acquiring any "margin stock" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System or for any other purpose which would be inconsistent with such Regulation U or any other Regulations of such Board of Governors, or for any purposes prohibited by Legal Requirements or by the terms and conditions of this Agreement or the other Loan Documents.

3.1.21 **Organizational Chart**. The organizational chart attached as **Schedule III**, relating to Borrowers and certain Affiliates and other parties, is true, complete and correct on and as of the date hereof. No Person other than those Persons shown on **Schedule III** have any ownership interest in, or right of Control, directly or indirectly, in any Borrower.

3.1.22 **Organizational Status**. Each Borrower is a single member Delaware limited liability company and each Borrower's exact legal name, the jurisdiction in which such Borrower is organized, such Borrower's Tax I.D. number and such Borrower's Organizational I.D. number are set forth on the organizational chart attached hereto as **Schedule III**.

3.1.23 **Bank Holding Company**. No Borrower is a "bank holding company" or a direct or indirect subsidiary of a "bank holding company" as defined in the Bank Holding Company Act of 1956, as amended, and Regulation Y thereunder of the Board of Governors of the Federal Reserve System.

3.1.24 **No Casualty**. No Improvements at any Property have suffered a material casualty or damage which has not been fully repaired and the cost thereof fully paid.

3.1.25 **Purchase Options**. Except for the right of first refusal held by Starbucks with respect to the Florida Property (which such right of first refusal has been expressly waived by Starbucks in connection with a foreclosure or deed-in-lieu thereof), no Property or any part thereof is subject to any purchase options, rights of first refusal, rights of first offer or other similar rights in favor of third parties.

3.1.26 **FIRPTA**. No Borrower is a "foreign person" within the meaning of Sections 1445 or 7701 of the Code.

3.1.27 **Investment Company Act**. No Borrower is (i) an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, or (ii) subject to any other United States federal or state law or regulation which purports to restrict or regulate its ability to borrow money.

3.1.28 **Fiscal Year**. Each fiscal year of each Borrower commences on January 1.

3.1.29 **Other Debt**. There is no indebtedness with respect to any Property or any excess cash flow or any residual interest therein, whether secured or unsecured, other than Permitted Encumbrances and Permitted Indebtedness.

3.1.30 **Contracts**.

(a) No Borrower has entered into, and is not bound by, any Major Contract which continues in existence, except those previously disclosed in writing to Lender.

(b) Each of the Major Contracts is in full force and effect, there are no monetary or other material defaults by any Borrower thereunder and, to Borrowers' best knowledge, there are no monetary or other material defaults thereunder by any other party thereto. No Borrower, Manager or any other Person acting on any Borrower's behalf has given or received any notice of default under any of the Major Contracts that remains uncured or in dispute.

(c) Borrowers have delivered true, correct and complete copies of the Major Contracts (including all amendments and supplements thereto) to Lender.

(d) Except for the Manager under the Management Agreements, no Major Contract has as a party an Affiliate of any Borrower. All fees and other compensation for services previously performed under the Management Agreements have been paid in full.

3.1.31 **Full and Accurate Disclosure**. No statement of fact made by Borrowers in this Agreement or in any of the other Loan Documents contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not

misleading. There is no material fact presently known to any Borrower which adversely affects, or as far as such Borrower can foresee, might adversely affect, any Property or the business, operations or condition (financial or otherwise) of any Borrower or any Guarantor, including any Lease Sweep Lease or any Tenant under any Lease Sweep Lease.

3.1.32 **Other Obligations and Liabilities**. No Borrower has liabilities or other obligations that arose or accrued prior to the date hereof that, either individually or in the aggregate, could have a material adverse effect on such Borrower, the Property owned by such Borrower and/or such Borrower's ability to pay the Debt. No Borrower has known contingent liabilities.

3.1.33 **Intellectual Property/Websites**. Other than as set forth on **Schedule VI**, no Borrower or any Affiliate (i) has or holds any tradenames, trademarks, servicemarks, logos, copyrights, patents or other intellectual property (collectively, "***Intellectual Property***") with respect to any Property or the use or operations thereof or (ii) is the registered holder of any website with respect to such Property (other than Tenant websites).

3.1.34 **Operations Agreements**. Each Operations Agreement is in full force and effect and no Borrower or, to Borrowers' knowledge, any other party to any Operations Agreement, is in default thereunder, and to the best of Borrowers' knowledge, there are no conditions which, with the passage of time or the giving of notice, or both, would constitute a default thereunder. Except as described herein, the REA has not been modified, amended or supplemented.

3.1.35 **Intentionally Omitted**.

3.1.36 **Intentionally Omitted**.

3.1.37 **Illegal Activity**. No portion of any Property has been or will be purchased with proceeds of any illegal activity and to the best of Borrower's knowledge, there are no illegal commercial activities or commercial activities relating to controlled substances at the Property (including, without limitation, any growing, distributing and/or dispensing of marijuana for commercial purposes, medical or otherwise for so long as the foregoing is a violation of a Legal Requirement of any applicable Governmental Authority).

3.1.38 **Condominium**.

(a) All of the Condominium Documents are in full force and effect, unmodified by any writing or otherwise.

(b) No Borrower has sent or received a notice of default under any of the Condominium Documents.

(c) All conditions of the Condominium Documents which were required to be satisfied, and all approvals which were required to be given, as of the date hereof, have been satisfied, given or waived.

(d) No party is in monetary or material non-monetary default under any of the terms or provisions of the Condominium Documents and no event has occurred which with the passage of time or the giving of notice or both would constitute an event of default by the Borrower owning the Unit under any of the Condominium Documents.

(e) Borrowers have delivered to Lender a true and correct copy of each of the Condominium Documents, certified by Borrowers, together with true and correct copies of all amendments and modifications thereof.

(f) All Common Charges and other charges, fees, assessments and reserves under the Condominium Documents that are payable by the Borrower owning the Unit have been paid to the extent they are payable prior to the date hereof.

(g) The Condo Association currently maintains property insurance coverage as required under Article VIII of the Bylaws. Lender is named as mortgagee on all such property insurance policies.

(h) All of the members and officers of the Board of Directors of the Condo Association (the "***Board of Directors***") are listed on **Schedule IX** attached hereto. The members of the Board of Directors appointed by the Borrower owning the Unit are designated as such on **Schedule IX** attached hereto.

Section 3.2 **Survival of Representations**. The representations and warranties set forth in Section 3.1 and elsewhere in this Agreement and the other Loan Documents shall (i) survive until the Obligations have been paid and performed in full and (ii) be deemed to have been relied upon by Lender notwithstanding any investigation heretofore or hereafter made by Lender or on its behalf.

ARTICLE 4

BORROWERS' COVENANTS

Until the end of the Term, Borrowers hereby covenant and agree with Lender that:

Section 4.1 **Payment and Performance of Obligations**. Borrowers shall pay and otherwise perform the Obligations in accordance with the terms of this Agreement and the other Loan Documents.

Section 4.2 **Due on Sale and Encumbrance; Transfers of Interests** Borrowers acknowledge that Lender has examined and relied on the experience of each Borrower and its stockholders, general partners and members, as applicable, and principals of Borrowers in owning and operating properties such as the Properties in agreeing to make the Loan, and will continue to rely on each Borrower's ownership of the Property owned by such Borrower as a means of maintaining the value of the Properties as security for repayment of the Debt and the performance of the Other Obligations. Borrowers acknowledges that Lender has a valid interest in maintaining the value of the Properties so as to ensure that, should Borrowers default in the repayment of the Debt or the performance of the Other Obligations, Lender can recover the Debt by a sale of the Properties. Therefore, without the prior written consent of Lender, but, in each instance, subject to the provisions of Article 7, no Borrower nor SPC Party nor any other Person having a direct or indirect ownership or beneficial interest in any Borrower or SPC Party shall sell, convey, mortgage, grant, bargain, encumber, pledge, assign or transfer any Property or any part thereof, or any interest, direct or indirect, in any Borrower or any SPC Party, whether voluntarily or involuntarily or enter into or subject any Property to a PACE Loan (a "***Transfer***"). A

Transfer within the meaning of this Section 4.2 shall be deemed to include (i) an installment sales agreement wherein a Borrower agrees to sell a Property or any part thereof for a price to be paid in installments; (ii) an agreement by a Borrower for the leasing of all or a substantial part of a Property for any purpose other than the actual occupancy by a space Tenant thereunder or a sale, assignment or other transfer of, or the grant of a security interest in, such Borrower's right, title and interest in and to any Leases or any Rents; (iii) with respect to any corporation, the voluntary or involuntary sale, conveyance or transfer of such corporation's stock (or the stock of any corporation directly or indirectly controlling such corporation by operation of law or otherwise) or the creation or issuance of new stock; (iv) with respect to any limited or general partnership, joint venture or limited liability company, the change, removal, resignation or addition of a general partner, managing member, non-managing member, limited partner, joint venturer or member, the transfer of the partnership interest of any general partner or limited partner or the transfer of the interest of any joint venturer or member; (v) with respect to any limited liability company, the division (whether pursuant to Section 18-217 of the Act or otherwise) of any assets and liabilities of such entity amongst one or more new or existing entities; (vi) any action or occurrence which results in Key Principal no longer Controlling Borrower or any SPC Party; and (vii) any pledge, hypothecation, assignment, transfer or other encumbrance of any direct or indirect ownership interest in any Borrower or any SPC Party.

Section 4.3 **Liens**. No Borrower shall create, incur, assume or permit to exist any Lien on any direct or indirect interest in such Borrower or any SPC Party or any portion of any Property, except for the Permitted Encumbrances. After prior notice to Lender, a Borrower, at its own expense, may contest by appropriate legal proceeding, conducted in good faith and with due diligence, the amount or validity of any Liens, provided that (i) no Event of Default has occurred and remains uncured; (ii) such proceeding shall be permitted under and be conducted in accordance with all applicable statutes, laws and ordinances; (iii) neither the applicable Property nor any part thereof or interest therein will be in danger of being sold, forfeited, terminated, canceled or lost; (iv) such Borrower shall promptly upon final determination thereof pay the amount of any such Liens, together with all costs, interest and penalties which may be payable in connection therewith; (v) to insure the payment of such Liens, such Borrower shall deliver to Lender either (A) cash, or other security as may be approved by Lender, in an amount equal to one hundred twenty-five percent (125%) of the contested amount or (B) a payment bond in an amount equal to one hundred percent (100%) of the contested amount from a surety acceptable to Lender in its reasonable discretion, (vi) failure to pay such Liens will not subject Lender to any civil or criminal liability, (vii) such contest shall not affect the ownership, use or occupancy of the applicable Property, and (viii) such Borrower shall, upon request by Lender, give Lender prompt notice of the status of such proceedings and/or confirmation of the continuing satisfaction of the conditions set forth in clauses (i) through (vii) of this Section 4.3. Lender may pay over any such cash or other security held by Lender to the claimant entitled thereto at any time when, in the reasonable judgment of Lender, the entitlement of such claimant is established or the applicable Property (or any part thereof or interest therein) shall be in danger of being sold, forfeited, terminated, cancelled or lost or there shall be any danger of the Lien of the Mortgage secured by such Property being primed by any related Lien.

Section 4.4 **Special Purpose**. Without in any way limiting the provisions of this Article 4, **e**ach Borrower and each SPC Party shall at all times be a Special Purpose Bankruptcy

Remote Entity. No Borrower or any SPC Party shall directly or indirectly make any change, amendment or modification to its or such SPC Party's organizational documents, or otherwise take any action which could result in such Borrower or any SPC Party not being a Special Purpose Bankruptcy Remote Entity.

Section 4.5 **Existence; Compliance with Legal Requirements**. Each Borrower and each SPC Party shall do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence and all rights, licenses, permits, franchises and all applicable governmental authorizations necessary for the operation of the Property owned by such Borrower and comply with all Legal Requirements applicable to it and the Property owned by such Borrower.

Section 4.6 **Taxes and Other Charges**. Borrowers shall pay all Taxes and Other Charges now or hereafter levied, assessed or imposed as the same become due and payable, and shall furnish to Lender receipts for the payment of the Taxes and the Other Charges prior to the date the same shall become delinquent (provided, however, that Borrowers need not pay Taxes directly nor furnish such receipts for payment of Taxes to the extent that funds to pay for such Taxes have been deposited into the Tax Account pursuant to Section 6.3). Borrowers shall not permit or suffer, and shall promptly discharge, any Lien or charge against any Property with respect to Taxes and Other Charges, and shall promptly pay for all utility services provided to such Property. After prior notice to Lender, Borrowers, at their own expense, may contest by appropriate legal proceeding, conducted in good faith and with due diligence, the amount or validity of any Taxes or Other Charges, provided that (i) no Default or Event of Default has occurred and remains uncured; (ii) such proceeding shall be permitted under and be conducted in accordance with all applicable statutes, laws and ordinances; (iii) no Property or any part thereof or interest therein will be in danger of being sold, forfeited, terminated, canceled or lost; (iv) Borrowers shall promptly upon final determination thereof pay the amount of any such Taxes or Other Charges, together with all costs, interest and penalties which may be payable in connection therewith; (v) such proceeding shall suspend the collection of Taxes or Other Charges from the applicable Property; (vi) Borrowers shall deposit with Lender cash, or other security as may be approved by Lender, in an amount equal to one hundred twenty-five percent (125%) of the contested amount, to insure the payment of any such Taxes or Other Charges, together with all interest and penalties thereon, (vii) failure to pay such Taxes or Other Charges will not subject Lender to any civil or criminal liability, (viii) such contest shall not affect the ownership, use or occupancy of the applicable Property, and (ix) Borrowers shall, upon request by Lender, give Lender prompt notice of the status of such proceedings and/or confirmation of the continuing satisfaction of the conditions set forth in clauses (i) through (viii) of this Section 4.6. Lender may pay over any such cash or other security held by Lender to the claimant entitled thereto at any time when, in the judgment of Lender, the entitlement of such claimant is established or the applicable Property (or any part thereof or interest therein) shall be in danger of being sold, forfeited, terminated cancelled or lost or there shall be any danger of the Lien of the Mortgage secured by such Property being primed by any related Lien.

Section 4.7 **Litigation**. Borrowers shall give prompt notice to Lender of any litigation or governmental proceedings pending or threatened against any Property, any Borrower, Manager, any SPC Party or any Guarantor which might materially adversely affect such

Property or such Borrower's, Manager's, such SPC Party's or such Guarantor's condition (financial or otherwise) or business (including such Borrower's ability to perform its Obligations hereunder or under the other Loan Documents).

Section 4.8 Title to the Properties. Borrowers shall warrant and defend (a) their title to the Properties and every part thereof, subject only to Permitted Encumbrances and (b) the validity and priority of the Liens of the Mortgages, the Assignments of Leases and this Agreement on the Properties, subject only to Permitted Encumbrances, in each case against the claims of all Persons whomsoever. Borrowers shall reimburse Lender for any out-of-pocket losses, costs, damages or expenses (including reasonable attorneys' fees and court costs) incurred by Lender if an interest in any Property, other than as permitted hereunder, is claimed by another Person.

Section 4.9 Financial Reporting.

4.9.1 Generally. Each Borrower shall keep and maintain or will cause to be kept and maintained proper and accurate books and records, in accordance with GAAP, and, to the extent required under Section 9.1 hereof, the requirements of Regulation AB, reflecting the financial affairs of such Borrower and all items of income and expense in connection with the operation of the Property owned by such Borrower. Lender shall have the right from time to time during normal business hours upon reasonable advance written notice to a Borrower to examine such books and records at the office of such Borrower or other Person maintaining such books and records and to make such copies or extracts thereof as Lender shall desire. After an Event of Default, Borrowers shall pay any out-of-pocket costs incurred by Lender (including, without limitation, reasonable attorneys' fees and reasonable accountants' fees) to examine such books, records and accounts, as Lender shall determine to be reasonably necessary or appropriate in the protection of Lender's interest.

4.9.2 Quarterly Reports. Not later than forty-five (45) days following the end of each fiscal quarter (or each calendar month prior to a Securitization of the Loan), each Borrower shall deliver to Lender:

(i) unaudited financial statements, internally prepared on a cash basis including a balance sheet and profit and loss statement as of the end of such quarter (or month) and for the corresponding quarter (or month) of the previous year, and a statement of revenues and expenses for such quarter (or month) and the year to date, and a comparison of the year to date results with (i) the results for the same period of the previous year, (ii) the results that had been projected by such Borrower for such period and (iii) the Annual Budget for such period and the Fiscal Year. Such statements for each quarter (or month) shall be accompanied by an Officer's Certificate certifying to the best of the signer's knowledge, (A) that such statements fairly represent the financial condition and results of operations of such Borrower, (B) that as of the date of such Officer's Certificate, no Event of Default exists under this Agreement, the Note or any other Loan Document or, if so, specifying the nature and status of each such Event of Default and the action then being taken by such Borrower or proposed to be taken to remedy such Event of Default, (C) that as of the date of each Officer's Certificate, no litigation exists involving such Borrower or the Property owned by such Borrower in which the amount involved is $500,000 (in the aggregate) or more or in which all or substantially all of the potential

liability is not covered by insurance, or, if so, specifying such litigation and the actions being taking in relation thereto and (D) the amount by which actual operating expenses were greater than or less than the operating expenses anticipated in the applicable Annual Budget. Such financial statements shall contain such other information as shall be reasonably requested by Lender for purposes of calculations to be made by Lender pursuant to the terms hereof.

(ii) a true, correct and complete rent roll for the Property owned by such Borrower, dated as of the last month of such fiscal quarter (or month), showing the percentage of gross leasable area of such Property, if any, leased as of the last day of the preceding calendar quarter (or month), the current annual rent for such Property, the expiration date of each Lease, whether to such Borrower's knowledge any portion of such Property has been sublet, and if it has, the name of the subtenant, and such rent roll shall be accompanied by an Officer's Certificate (A) certifying that such rent roll is true, correct and complete in all material respects as of its date, (B) stating whether such Borrower, within the past three (3) months, has issued a notice of default with respect to any Lease which has not been cured and the nature of such default, and (C) stating whether, within the past three (3) months, any Tenant has "gone dark" or any Borrower has received a notice from any Tenant of its intention to "go dark."

4.9.3 Annual Reports. Each Borrower shall deliver to Lender:

(i) Not later than seventy-five (75) days after the end of each Fiscal Year of such Borrower's operations, unaudited financial statements, internally prepared on a cash basis, covering the Property owned by such Borrower, including a balance sheet as of the end of such year, a statement of revenues and expenses for such year and the fourth quarter thereof, and stating in comparative form the figures for the previous Fiscal Year and the Annual Budget for such Fiscal Year, as well as the supplemental schedule of net income or loss presenting the net income or loss for such Property and occupancy statistics for such Property, and copies of all federal income tax returns to be filed. Such annual financial statements shall be accompanied by an Officer's Certificate in the form required pursuant to Section 4.9.2(i) above; and

(ii) Not later than ninety (90) days after the end of each Fiscal Year of each Borrower's operations, an annual summary of any and all Capital Expenditures made at the Property owned by such Borrower during the prior twelve (12) month period.

4.9.4 Other Reports.

(a) Each Borrower shall deliver to Lender, within twenty (20) days of the receipt thereof by such Borrower, a copy of all reports prepared by Manager pursuant to the Management Agreement relating to the Property owned by such Borrower, including, without limitation, the Annual Budget and any inspection reports.

(b) Each Borrower shall, within twenty (20) days after request by Lender or, if all or part of the Loan is being or has been included in a Securitization, by the Rating Agencies, furnish or cause to be furnished to Lender and, if applicable, the Rating Agencies, in such manner and in such detail as may be reasonably requested by Lender or the Rating Agencies, such reasonable additional information as may be reasonably requested with respect to the Property owned by such Borrower.

(c) Each Borrower shall submit to Lender the financial data and financial statements required, and within the time periods required, under clauses (f) and (g) of Section 9.1, if and when available.

(d) Not later than twenty (20) days following Borrowers' receipt of same, Borrowers shall deliver to Lender a complete copy of any financial statement or report delivered to any Borrower by or on behalf of the Condo Association.

(e) Borrowers shall furnish or cause to be furnished to Lender, upon request, any financial data or financial statements prepared by or on behalf of a Tenant under any Lease Sweep Lease, to the extent such financial data or statements were actually delivered to any Borrower.

4.9.5 Annual Budget. Each Borrower shall submit to Lender by December 1 of each year the Annual Budget relating to the Property owned by such Borrower for the succeeding Fiscal Year. During the continuance of a Trigger Period, Lender shall have the right to approve each Annual Budget (which approval shall not be unreasonably withheld so long as no Event of Default is continuing). Annual Budgets delivered to Lender (other than during the continuance of a Trigger Period) or approved by Lender (during the continuance of a Trigger Period) shall hereinafter be referred to as an "***Approved Annual Budget***". During the continuance of a Trigger Period, until such time that any Annual Budget has been approved by Lender, the prior Approved Annual Budget shall apply for all purposes hereunder (with such adjustments as reasonably determined by Lender to reflect actual increases in Taxes, Insurance Premiums, and utilities expenses). To the extent Lender has approval rights over an Annual Budget pursuant to this Section 4.9.5, neither any Borrower nor Manager shall change or modify the Annual Budget that has been approved by Lender without the prior written consent of Lender. During the continuance of a Trigger Period, Lender may require each Borrower, on a quarterly basis, to furnish to Lender for approval (which approval shall not be unreasonably withheld provided no Event of Default exists) an updated Annual Budget.

4.9.6 Extraordinary Operating Expenses. During the continuance of a Trigger Period, in the event that a Borrower incurs an extraordinary operating expense not set forth in the Approved Annual Budget relating to the Property owned by such Borrower (each an "***Extraordinary Operating Expense***"), then such Borrower shall promptly deliver to Lender a reasonably detailed explanation of such proposed Extraordinary Operating Expense for Lender's approval. Any Extraordinary Operating Expense approved by Lender is referred to herein as an ("***Approved Extraordinary Operating Expense***"). In no event shall management fees in excess of the Management Fee Cap be paid to Manager as part of the Approved Extraordinary Operating Expense funds distributed to Borrowers during a Trigger Period pursuant to Section 6.13.1 unless expressly approved by Lender in advance in its sole discretion. Any Funds distributed to Borrowers for the payment of Approved Extraordinary Operating Expenses pursuant to Section 6.13.1 shall be used by Borrowers only to pay for such Approved Extraordinary Operating Expenses or reimburse Borrowers for such Approved Extraordinary Operating Expenses, as applicable.

4.9.7 Breach. If any Borrower fails to provide to Lender or its designee any of the financial statements, certificates, reports or information (the "***Required Records***") required by this Section 4.9 within thirty (30) days after the date upon which such Required Record is due, Borrowers shall pay to Lender, at Lender's option and in its discretion, an amount equal to $500 for each Required Record that is not delivered; provided Lender has given Borrowers at least thirty (30) days prior notice of such failure. In addition, thirty (30) days after Borrower's failure to deliver any Required Records, Lender shall have the option, upon fifteen (15) days notice to Borrowers to gain access to such Borrower's books and records and prepare or have prepared at Borrowers' expense, any Required Records not delivered by such Borrower.

Section 4.10 Access to Properties. Borrowers shall permit agents, representatives, consultants and employees of Lender to inspect the Properties or any part thereof at reasonable hours upon reasonable advance written notice, subject to the rights of Tenants under Leases. Lender or its agents, representatives, consultants and employees as part of any inspection may take soil, air, water, building material and other samples from the Properties, subject to the rights of Tenants under Leases.

Section 4.11 Leases.

4.11.1 Generally. Upon request, Borrowers shall furnish Lender with executed copies of all Leases then in effect. All renewals of Leases and all proposed leases shall provide for rental rates and terms comparable to existing local market rates and shall be arm's length transactions with bona fide, independent third-party Tenants. Within ten (10) days after the execution of a Lease or any renewals, amendments or modification of a Lease, Borrowers shall deliver to Lender a copy thereof, together with Borrowers' certification that such Lease (or such renewal, amendment or modification) was entered into in accordance with the terms of this Agreement.

4.11.2 Approvals.

(a) Any Lease and any renewals, amendments or modification of a Lease (provided such Lease or Lease renewal, amendment or modification is not a Major Lease (or a renewal, amendment or modification to a Major Lease)) that meets the following requirements may be entered into by any Borrower without Lender's prior consent: (i) provides for economic terms, including rental rates, comparable to existing local market rates for similar properties and is otherwise on commercially reasonable terms, (ii) has an initial term of not less than three (3) years and a total term (together with all extension and renewal options) of not more than ten (10) years, (iii) unless a subordination, non-disturbance and attornment agreement is delivered pursuant to this Section 4.11.2, provides that such Lease is subordinate to the Mortgages and the Assignments of Leases and that the Tenant thereunder will attorn to Lender and any purchaser at a foreclosure sale, (iv) is with Tenants that are creditworthy, (v) is written substantially in accordance with the standard form of Lease which shall have been approved by Lender (subject to any commercially reasonable changes made in the course of negotiations with the applicable Tenant), (vi) is not with an Affiliate of any Borrower or any Guarantor, and (vii) does not contain any option to purchase, any right of first refusal to purchase, any right to terminate (except if such termination right is triggered by the destruction or condemnation of substantially all of the applicable Property) or any other terms which would materially adversely affect Lender's rights under the Loan Documents. All other Leases (including Major Leases) and all renewals, amendments and modifications thereof executed after the date hereof shall be subject to Lender's

prior approval, which approval shall not be unreasonably withheld, conditioned or delayed so long as no Event of Default is continuing and the requirements set forth in the preceding clauses (i)-(vii) are met.

(b) No Borrower shall permit or consent to any assignment or sublease of any Major Lease without Lender's prior written approval (other than assignments or subleases expressly permitted under any Major Lease pursuant to a unilateral right of the Tenant thereunder not requiring the consent of the applicable Borrower), which approval shall not be unreasonably withheld, conditioned or delayed so long as no Event of Default is continuing and the requirements set forth in clauses (i)-(vii) in Section 4.11.2(a) above are met. Lender, at Borrowers' sole cost and expense, shall execute and deliver its standard form of subordination, non-disturbance and attornment agreement to Tenants under any future Major Lease approved by Lender upon request, with such commercially reasonable changes as may be requested by such Tenants and which are reasonably acceptable to Lender.

(c) Each Borrower shall have the right, without the consent or approval of Lender, to terminate or accept a surrender of any Lease that is not a Major Lease so long as such termination or surrender is (i) by reason of a tenant default and (ii) in a commercially reasonable manner to preserve and protect the applicable Property.

(d) Notwithstanding anything to the contrary contained in this Section 4.11.2, provided no Event of Default is continuing, whenever Lender's approval or consent is required pursuant to the provisions of this Section 4.11.2, Lender's consent shall be deemed given if:

(i) the first correspondence from Borrowers to Lender requesting such approval or consent is in an envelope marked "PRIORITY" and contains a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "**FIRST NOTICE: THIS IS A REQUEST FOR CONSENT UNDER THE LOAN BY DBR INVESTMENTS CO LIMITED TO GIPFL 1300 S DALE MABRY, LLC, GIPDC 3707 14TH ST, LLC, and GIPAL JV 15091 SW ALABAMA 20, LLC. FAILURE TO RESPOND TO THIS REQUEST WITHIN TWENTY (20) BUSINESS DAYS MAY RESULT IN THE REQUEST BEING DEEMED GRANTED**", and is accompanied by the information and documents required above, and any other information reasonably requested by Lender in writing prior to the expiration of such twenty (20) Business Day period in order to adequately review the same has been delivered; and

(ii) if Lender fails to respond or to deny such request for approval in writing within the first ten (10) Business Days of such twenty (20) Business Day period, a second notice requesting approval is delivered to Lender from Borrowers in an envelope marked "PRIORITY" containing a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "**SECOND AND FINAL NOTICE: THIS IS A REQUEST FOR CONSENT UNDER THE LOAN BY DBR INVESTMENTS CO LIMITED TO GIPFL 1300 S DALE MABRY, LLC, GIPDC 3707 14TH ST, LLC, and GIPAL JV 15091 SW ALABAMA 20, LLC. IF YOU FAIL TO PROVIDE A SUBSTANTIVE RESPONSE (E.G., APPROVAL, DENIAL OR REQUEST FOR CLARIFICATION OR MORE INFORMATION) TO THIS REQUEST FOR APPROVAL IN WRITING WITHIN TEN (10) BUSINESS**

DAYS, YOUR APPROVAL SHALL BE DEEMED GIVEN" and Lender fails to provide a substantive response to such request for approval within such second ten (10) Business Day period.

4.11.3 **Covenants**. Each Borrower (i) shall observe and perform the obligations imposed upon the lessor under the Leases in a commercially reasonable manner; (ii) shall enforce the terms, covenants and conditions contained in the Leases upon the part of the Tenants thereunder to be observed or performed in a commercially reasonable manner, provided, however, no Borrower shall terminate or accept a surrender of a Major Lease without Lender's prior approval; (iii) shall not collect any of the Rents more than one (1) month in advance (other than security deposits); (iv) shall not execute any assignment of lessor's interest in the Leases or the Rents (except as contemplated by the Loan Documents); and (v) shall not alter, modify or change any Lease so as to change the amount of or payment date for rent, change the expiration date, grant any option for additional space or term, materially reduce the obligations of the Tenant or increase the obligations of the lessor. Upon request, Borrowers shall furnish Lender with executed copies of all Leases. Each Borrower shall promptly send copies to Lender of all written notices of material default which such Borrower shall receive under the Leases.

4.11.4 **Security Deposits**. All security deposits of Tenants, whether held in cash or any other form, shall be held in compliance with all Legal Requirements, shall not be commingled with any other funds of Borrowers. During the continuance of an Event of Default, Borrowers shall, upon Lender's request, if permitted by applicable Legal Requirements, cause all such security deposits (and any interest theretofore earned thereon) to be transferred into the Deposit Account (which shall then be held by Deposit Bank in a separate Account), which shall be held by Deposit Bank subject to the terms of the Leases. Any bond or other instrument which Borrowers are permitted to hold in lieu of cash security deposits under any applicable Legal Requirements (i) shall be maintained in full force and effect in the full amount of such deposits unless replaced by cash deposits as herein above described, (ii) shall be issued by an institution reasonably satisfactory to Lender, (iii) shall, if permitted pursuant to any Legal Requirements, name Lender as payee or mortgagee thereunder (or at Lender's option, be fully assignable to Lender), and (iv) shall in all respects comply with any applicable Legal Requirements and otherwise be reasonably satisfactory to Lender. Borrowers shall, upon request, provide Lender with evidence reasonably satisfactory to Lender of Borrowers' compliance with the foregoing.

4.11.5 **Lease Sweep Lease Covenants.** Borrowers shall notify Lender (i) if any Tenant under a Lease Sweep Lease discontinues business (i.e. "goes dark") at its Lease Sweep Space (or any material portion thereof) within five (5) Business Days of any Borrower and/or Manager obtaining knowledge or receiving any written notice of such Tenant's discontinuance of business, (ii) of receipt of any notice from any Tenant under a Lease Sweep Lease of its intention to discontinue its business at its Lease Sweep Space at any Property (or any material portion thereof) within five (5) Business Days after receipt from the applicable Tenant and (iii) of any default under a Lease Sweep Lease that continues beyond any applicable notice and cure periods, within five (5) Business Days after the expiration of such applicable notice and cure periods.

Section 4.12 **Repairs; Maintenance and Compliance; Alterations**.

4.12.1 **Repairs; Maintenance and Compliance**. Borrowers shall at all times maintain, preserve and protect all franchises and trade names, and Borrowers shall cause the Properties to

be maintained in a good and safe condition and repair and shall not remove, demolish or alter the Improvements or Equipment (except for alterations performed in accordance with Section 4.12.2 below and normal replacement of Equipment with Equipment of equivalent value and functionality). Borrowers shall promptly comply with all Legal Requirements (including municipal, state and federal laws) and immediately cure properly any violation of a Legal Requirement. Borrower also hereby covenants and agrees that it shall not commit, permit or suffer to exist any illegal commercial activities or commercial activities relating to controlled substances at the Property (including, without limitation, any growing, distributing and/or dispensing of marijuana for commercial purposes, medical or otherwise for so long as the foregoing is a violation of a Legal Requirement of any applicable Governmental Authority). Borrowers shall notify Lender in writing within one (1) Business Day after any Borrower first receives notice of any such non-compliance. Borrowers shall promptly repair, replace or rebuild any part of any Property that becomes damaged, worn or dilapidated and shall complete and pay for any Improvements at any time in the process of construction or repair.

4.12.2 **Alterations**. Any Borrower may, without Lender's consent, perform alterations to the Improvements and Equipment which (i) do not constitute a Material Alteration, (ii) do not adversely affect such Borrower's financial condition or the value or net operating income of such Property and (iii) are in the ordinary course of such Borrower's business. No Borrower shall perform any Material Alteration without Lender's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, so long as no Event of Default is continuing. Lender may, as a condition to giving its consent to a Material Alteration, require that Borrowers deliver to Lender security for payment of the cost of such Material Alteration and as additional security for Borrowers' Obligations under the Loan Documents, which security may be any of the following: (i) cash, (ii) a Letter of Credit, (iii) U.S. Obligations, (iv) other securities acceptable to Lender, provided that Lender shall have received a Rating Agency Confirmation as to the form and issuer of same, or (v) a completion bond. Such security shall be in an amount equal to the excess of the total unpaid amounts incurred and to be incurred with respect to such alterations to the Improvements (other than such amounts to be paid or reimbursed by Tenants under the Leases) over the Alteration Threshold for such Property, and Lender may apply such security from time to time at the option of Lender to pay for such alterations. Upon substantial completion of any Material Alteration, Borrowers shall provide evidence reasonably satisfactory to Lender that (i) the Material Alteration was constructed in accordance with applicable Legal Requirements, (ii) all contractors, subcontractors, materialmen and professionals who provided work, materials or services in connection with the Material Alteration have been paid in full and have delivered unconditional releases of liens, and (iii) all material licenses and permits necessary for the use, operation and occupancy of the Material Alteration (other than those which depend on the performance of tenant improvement work) have been issued. If Borrowers have provided cash security, as provided above, such cash shall be released by Lender to fund such Material Alterations as work progresses subject to any reasonable disbursement conditions established by Lender, and if Borrowers have provided non-cash security, as provided above, except to the extent applied by Lender to fund such Material Alterations, Lender shall promptly release and return such security upon Borrowers' satisfaction of the requirements of the preceding sentence.

Section 4.13 **Approval of Major Contracts**. Borrowers shall be required to obtain Lender's prior written approval of any and all Major Contracts affecting any Property, which approval shall not be unreasonably withheld, conditioned, or delayed, so long as no Event of Default is continuing.

Section 4.14 Property Management.

4.14.1 Management Agreement. Each Borrower shall (i) cause Manager to manage the Property owned by it in accordance with a Management Agreement, (ii) diligently perform and observe all of the material terms, covenants and conditions of such Management Agreement on the part of such Borrower to be performed and observed, (iii) promptly notify Lender of any monetary and material non-monetary default under such Management Agreement of which it is aware, (iv) promptly deliver to Lender a copy of each financial statement, business plan, capital expenditures plan, report and estimate received by it under such Management Agreement, and (v) promptly enforce the performance and observance of all of the covenants required to be performed and observed by Manager under its Management Agreement. If any Borrower shall default in the performance or observance of any material term, covenant or condition of its Management Agreement on the part of such Borrower to be performed or observed, then, without limiting Lender's other rights or remedies under this Agreement or the other Loan Documents, and without waiving or releasing such Borrower from any of its Obligations hereunder or under its Management Agreement, Lender shall have the right, but shall be under no obligation, to pay any sums and to perform any act as may be appropriate to cause all the material terms, covenants and conditions of such Management Agreement on the part of such Borrower to be performed or observed.

4.14.2 Prohibition Against Termination or Modification. No Borrower shall (i) surrender, terminate, cancel, modify, renew or extend its Management Agreement, (ii) enter into any other agreement relating to the management or operation of the Property owned by it with Manager or any other Person, (iii) consent to the assignment by the Manager of its interest under any Management Agreement, or (iv) waive or release any of its rights and remedies under any Management Agreement, in each case without the express consent of Lender, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, with respect to a new property manager such consent may be conditioned upon Borrowers delivering a Rating Agency Confirmation from each applicable Rating Agency as to such new property manager and management agreement. Notwithstanding the foregoing, however, provided no Event of Default is continuing, the approval of Lender and the Rating Agencies shall not be required with respect to the appointment of an Unaffiliated Qualified Manager. If at any time Lender consents to the appointment of a new property manager or a Qualified Manager is appointed, such new property manager (including a Qualified Manager) and Borrowers shall, as a condition of Lender's consent, execute (i) a management agreement in form and substance reasonably acceptable to Lender, (ii) a subordination of management agreement in a form reasonably acceptable to Lender and (iii) deliver an updated Insolvency Opinion if such Qualified Manager is an Affiliate of any Borrower, any Guarantor or Key Principal.

4.14.3 Replacement of Manager. Lender shall have the right to require Borrowers to replace the Manager with (x) an Unaffiliated Qualified Manager selected by Borrowers or (y) another property manager chosen by Borrowers and approved by Lender (provided, that such approval may be conditioned upon Borrowers delivering a Rating Agency Confirmation from each applicable Rating Agency as to such new property manager and management agreement) upon the occurrence of any one or more of the following events: (i) at any time following the occurrence of and during the continuance of an Event of Default, (ii) if Manager shall be in material default under any Management Agreement beyond any applicable notice and cure period, (iii) if Manager shall become insolvent or a debtor in any bankruptcy or insolvency proceeding, or (iv) if at any time the Manager has engaged in gross negligence, fraud, willful misconduct or misappropriation of funds.

Section 4.15 Performance by Borrower; Compliance with Agreements

(a) Borrowers shall in a timely manner observe, perform and fulfill each and every covenant, term and provision of each Loan Document executed and delivered by, or applicable to, any Borrower, and shall not enter into or otherwise suffer or permit any amendment, waiver, supplement, termination or other modification of any Loan Document executed and delivered by, or applicable to, any Borrower without the prior consent of Lender.

(b) Borrowers shall at all times comply in all material respects with all Operations Agreements and Condominium Documents. Borrowers agree that without the prior written consent of Lender, Borrowers will not amend, modify or terminate any of the Operations Agreements or Condominium Documents.

Section 4.16 Licenses; Intellectual Property; Website.

4.16.1 Licenses. Borrowers shall keep and maintain all Licenses necessary for the operation of the Properties as a retail, manufacturing, or office facility, as applicable. Borrowers shall not transfer any Licenses required for the operation of Properties.

4.16.2 Intellectual Property. Borrowers shall keep and maintain all Intellectual Property relating to the use or operation of the Properties and all Intellectual Property shall be held by and (if applicable) registered in the name of the applicable Borrower. Borrowers shall not Transfer or let lapse any Intellectual Property without Lender's prior consent.

4.16.3 Website. Any website with respect to any Property (other than Tenant websites) shall be maintained by or on behalf of the Borrower that owns such Property and any such website shall be registered in the name of such Borrower. Such Borrower shall not Transfer any such website without Lender's prior consent.

Section 4.17 Further Assurances. Borrowers shall, at Borrowers' sole cost and expense:

(a) furnish to Lender all instruments, documents, boundary surveys, footing or foundation surveys, certificates, plans and specifications, appraisals, title and other insurance reports and agreements, and each and every other document, certificate, agreement and instrument required to be furnished by Borrowers pursuant to the terms of the Loan Documents or which are reasonably requested by Lender in connection therewith;

(b) cure any defects in the execution and delivery of the Loan Documents and execute and deliver, or cause to be executed and delivered, to Lender such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to correct any omissions in the Loan Documents, to evidence, preserve and/or protect the collateral at any time securing or intended to secure the Obligations, as Lender may reasonably require; and

(c) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Agreement and the other Loan Documents, as Lender may reasonably require from time to time.

Section 4.18 Estoppel Statement.

(a) After request by Lender, Borrowers shall within five (5) Business Days furnish Lender with a statement, duly acknowledged and certified, stating (i) the Outstanding Principal Balance of the Note, (ii) the Interest Rate, (iii) the date installments of interest and/or principal were last paid, (iv) any offsets or defenses to the payment and performance of the Obligations, if any, and (v) that this Agreement and the other Loan Documents have not been modified or if modified, giving particulars of such modification.

(b) Borrowers shall deliver to Lender, upon request, an estoppel certificate from each Tenant under any Lease (provided that Borrowers shall only be required to use commercially reasonable efforts to obtain an estoppel certificate from any Tenant not required to provide an estoppel certificate under its Lease) in form and substance reasonably satisfactory to Lender; provided, that Borrowers shall not be required to deliver such certificates more frequently than three (3) times in any calendar year.

(c) Borrowers shall deliver to Lender, upon request, estoppel certificates from each party under any Operations Agreement, in form and substance reasonably satisfactory to Lender; provided, that Borrowers shall not be required to deliver such certificates more than three (3) times during the Term and not more frequently than once per calendar year (or twice during any calendar year in which a Securitization occurs).

(d) Borrowers shall deliver to Lender, upon request, estoppel certificates from the Condo Association, in form and substance reasonably satisfactory to Lender; provided, that Borrowers shall not be required to deliver such certificates more than three (3) times during the Term and not more frequently than once per calendar year (or twice during any calendar year in which a Securitization occurs).

Section 4.19 Notice of Default. Each Borrower shall promptly advise Lender of the occurrence of any Default or Event of Default of which any Borrower has knowledge.

Section 4.20 Cooperate in Legal Proceedings. Borrowers shall cooperate fully with Lender with respect to any proceedings before any court, board or other Governmental Authority which may in any way affect the rights of Lender hereunder or any rights obtained by Lender under any of the other Loan Documents and, in connection therewith, permit Lender, at its election, to participate in any such proceedings.

Section 4.21 Indebtedness. No Borrower shall directly or indirectly create, incur or assume any Indebtedness other than (i) the Debt and (ii) unsecured trade payables incurred in the ordinary course of business relating to the ownership and operation of the Properties, which in the case of such unsecured trade payables (A) are not evidenced by a note, (B) do not exceed, at any time, either (x) two percent (2%) of the Allocated Loan Amount of the Property owned by such Borrower or (y) an aggregate amount of two percent (2%) of the Outstanding Principal Balance and (C) are paid within thirty (30) days of the date incurred (collectively, "***Permitted Indebtedness***").

Section 4.22 **Business and Operations**. Each Borrower will continue to engage in the businesses presently conducted by it as and to the extent the same are necessary for the ownership, maintenance, management and operation of the Property owned by such Borrower. Each Borrower will qualify to do business and will remain in good standing under the laws of each jurisdiction as and to the extent the same are required for the ownership, maintenance, management and operation of the Property owned by such Borrower.

Section 4.23 **Dissolution**. No Borrower shall (i) engage in any dissolution, liquidation, consolidation, division (whether pursuant toSection 18-217 of the Act or otherwise) or merger with or into any one or more other business entities, (ii) engage in any business activity not related to the ownership and operation of the Property, (iii) transfer, lease or sell, in one transaction or any combination of transactions, all or substantially all of the property or assets of such Borrower except to the extent expressly permitted by the Loan Documents, or (iv) cause, permit or suffer such Borrower or any SPC Party to (A) dissolve, divide (whether pursuant to Section 18-217 of the Act or otherwise), wind up or liquidate or take any action, or omit to take any action, as a result of which such Borrower or such SPC Party would be dissolved, divided (whether pursuant to Section 18-217 of the Act or otherwise), wound up or liquidated in whole or in part, or (B) amend, modify, waive or terminate the certificate of incorporation, bylaws, certificate of formation or operating agreement of such Borrower or such SPC Party, in each case without obtaining the prior consent of Lender.

Section 4.24 **Debt Cancellation**. No Borrower shall cancel or otherwise forgive or release any claim or debt (other than the termination of Leases in accordance herewith) owed to such Borrower by any Person, except for adequate consideration and in the ordinary course of such Borrower's business.

Section 4.25 **Affiliate Transactions**. No Borrower shall enter into, or be a party to, any transaction with an Affiliate of any Borrower or any of the partners, members or shareholders, as applicable, of any Borrower except in the ordinary course of business and on terms which are no less favorable to such Borrower or such Affiliate than would be obtained in a comparable arm's-length transaction with an unrelated third party.

Section 4.26 **No Joint Assessment**. No Borrower shall suffer, permit or initiate the joint assessment of any Property (i) with any other real property constituting a tax lot separate from such Property, and (ii) with any portion of such Property which may be deemed to constitute personal property, or any other procedure whereby the Lien of any taxes which may be levied against such personal property shall be assessed or levied or charged to such Property.

Section 4.27 **Principal Place of Business**. No Borrower shall change its principal place of business from the address set forth on the first page of this Agreement without first giving Lender thirty (30) days prior written notice.

Section 4.28 **Change of Name, Identity or Structure**. No Borrower shall change such Borrower's name, identity (including its trade name or names) or convert from a single member limited liability company structure without notifying Lender of such change in writing at least thirty (30) days prior to the effective date of such change and without first

obtaining the prior written consent of Lender; provided, however, that such Borrower shall at all times be a Delaware single member limited liability company. Each Borrower shall deliver to Lender, prior to or contemporaneously with the effective date of any such change, any financing statement or financing statement change required by Lender to establish or maintain the validity, perfection and priority of the security interest granted herein. At the request of Lender, each Borrower shall execute a certificate in form reasonably satisfactory to Lender listing the trade names under which such Borrower intends to operate the Property owned by such Borrower, and representing and warranting that such Borrower does business under no other trade name with respect to the Property owned by such Borrower.

Section 4.29 Costs and Expenses.

(a) Except as otherwise expressed herein or in any of the other Loan Documents, Borrowers shall pay or, if Borrowers fail to pay, reimburse Lender (and for purposes of this Section 4.29, Lender shall include the initial lender, its Affiliates, successors and assigns, and their respective officers and directors) upon receipt of notice from Lender, for all out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with (i) Borrowers' ongoing performance of and compliance with Borrowers' agreements and covenants contained in this Agreement and the other Loan Documents on its part to be performed or complied with after the Closing Date, including confirming compliance with environmental and insurance requirements (except to the extent expressly set forth in Section 10.21(a) hereof); (ii) Lender's ongoing performance of and compliance with all agreements and covenants contained in this Agreement and the other Loan Documents on its part to be performed or complied with after the Closing Date (except to the extent expressly set forth in Section 10.21(a) hereof); (iii) the negotiation, preparation, execution and delivery of any consents, amendments, waivers or other modifications to this Agreement and the other Loan Documents and any other documents or matters requested by Borrowers; (iv) filing and recording of any Loan Documents; (v) title insurance, surveys, inspections and appraisals; (vi) the creation, perfection or protection of Lender's Liens in the Properties and the Accounts (including fees and expenses for title and lien searches, intangibles taxes, personal property taxes, mortgage recording taxes, due diligence expenses, travel expenses, accounting firm fees, costs of appraisals, environmental reports and Lender's Consultant, surveys and engineering reports); (vii) enforcing or preserving any rights in response to third party claims or the prosecuting or defending of any action or proceeding or other litigation, in each case against, under or affecting any Borrower, the Loan Documents, any Property, or any other security given for the Loan; (viii) fees charged by Servicer (except to the extent expressly set forth in Section 10.21) or, if a Securitization has occurred, the Rating Agencies in connection with the Loan or any modification thereof; and (ix) enforcing any Obligations of or collecting any payments due from any Borrower under this Agreement, the other Loan Documents or with respect to any Property or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "work-out" or of any insolvency or bankruptcy proceedings (including fees and expenses for title and lien searches, intangible taxes, personal property taxes, mortgage recording taxes, due diligence expenses, travel expenses, accounting firm fees, costs of appraisals, environmental reports and Lender's Consultant, surveys and engineering reports); provided, however, that Borrowers shall not be liable for the payment of any such costs and expenses to the extent the same arise by reason of the active gross negligence, illegal acts, fraud or willful misconduct of Lender. All amounts payable to Lender or Servicer in exercising its rights under this Section 4.29 (including, but not limited to, disbursements, advances

and reasonable legal expenses incurred in connection therewith), shall be payable upon demand, and if not paid shall be added to the Obligations, secured by this Agreement and shall bear interest thereafter at the Default Rate commencing five (5) Business Days after demand for payment is made by Lender.

(b) In addition, in connection with any Rating Agency Confirmation, Review Waiver or other Rating Agency consent, approval or review requested or required hereunder (other than the initial review of the Loan by the Rating Agencies in connection with a Securitization), Borrowers shall pay all of the out-of-pocket costs and expenses of Lender, Servicer and each Rating Agency in connection therewith, and, if applicable, shall pay any fees imposed by any Rating Agency in connection therewith.

(c) Any costs and expenses due and payable by Borrowers hereunder which are not paid by Borrowers within ten (10) Business Days after demand may be paid from any amounts in the Deposit Account, with notice thereof to Borrowers. The obligations and liabilities of Borrowers under this Section 4.29 shall (i) become part of the Obligations, (ii) be secured by the Loan Documents and (iii) survive the Term and the exercise by Lender of any of its rights or remedies under the Loan Documents, including the acquisition of the Properties by foreclosure or a conveyance in lieu of foreclosure.

Section 4.30 Indemnity. Borrowers shall indemnify, defend and hold harmless Lender (and for purposes of this Section 4.30, Lender shall include the initial lender, its Affiliates, successors and assigns, and their respective officers and directors) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for Lender in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not Lender shall be designated a party thereto), that may be imposed on, incurred by, or asserted against Lender in any manner relating to or arising out of (i) any breach by any Borrower of its Obligations under, or any material misrepresentation by any Borrower contained in, this Agreement or the other Loan Documents; (ii) the use or intended use of the proceeds of the Loan; (iii) any information provided by or on behalf of any Borrower, or contained in any documentation approved by any Borrower; (iv) ownership of any Mortgage, any Property or any interest therein, or receipt of any Rents (including due to any Increased Costs, Special Taxes or Other Taxes); (v) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about any Property or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (vi) any use, nonuse or condition in, on or about any Property or on adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (vii) performance of any labor or services or the furnishing of any materials or other property in respect of any Property; (viii) any failure of any Property to comply with any Legal Requirement; (ix) any claim by brokers, finders or similar persons claiming to be entitled to a commission in connection with any Lease or other transaction involving any Property or any part thereof, or any liability asserted against Lender with respect thereto; and (x) the claims of any lessee of any portion of any Property or any Person acting through or under any lessee or otherwise arising under or as a consequence of any Lease (collectively, the "***Indemnified Liabilities***"); provided, however, that Borrowers shall not have any obligation to Lender hereunder to the extent that such Indemnified Liabilities arise from the active gross

negligence, illegal acts, fraud or willful misconduct of Lender. To the extent that the undertaking to indemnify, defend and hold harmless set forth in the preceding sentence may be unenforceable because it violates any law or public policy, Borrowers shall pay the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Lender.

Section 4.31 ERISA.

(a) No Borrower shall engage in any transaction which would cause any obligation, or action taken or to be taken, hereunder (or the exercise by Lender or any assignee of any of its rights under the Note, this Agreement or the other Loan Documents) to be a non-exempt (under a statutory or administrative class exemption) prohibited transaction under the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***") or Section 4975 of the Code.

(b) No Borrower shall maintain, sponsor, contribute to or become obligated to contribute to, or suffer or permit any ERISA Affiliate of such Borrower to, maintain, sponsor, contribute to or become obligated to contribute to, any Plan or any Welfare Plan or permit the assets of such Borrower to become "plan assets," within the meaning of 29 C.F.R. 2510.3-101, as modified in application by Section 3(42) of ERISA.

(c) Each Borrower shall deliver to Lender such certifications or other evidence from time to time throughout the Term, as requested by Lender in its reasonable discretion, that (A) such Borrower and Guarantors are not and do not maintain an "employee benefit plan" as defined in Section 3(32) of ERISA, which is subject to Title I of ERISA, or a "governmental plan" within the meaning of Section 3(32) of ERISA; (B) such Borrower and Guarantors are not subject to state statutes regulating investments and fiduciary obligations with respect to governmental plans; and (C) the assets of such Borrower and Guarantors do not constitute "plan assets" within the meaning of 29 C.F.R §2510.3-101 as modified in application by Section 3(42) of ERISA of any "benefit plan investor" as defined in Section 3(42) of ERISA.

Section 4.32 Patriot Act Compliance.

(a) Borrowers will comply with the Patriot Act and all applicable requirements of Governmental Authorities having jurisdiction over Borrowers and/or the Properties, including those relating to money laundering and terrorism. Lender shall have the right to audit Borrowers' compliance with the Patriot Act and all applicable requirements of Governmental Authorities having jurisdiction over Borrowers and/or the Properties, including those relating to money laundering and terrorism. In the event that any Borrower fails to comply with the Patriot Act or any such requirements of Governmental Authorities, then Lender may, at its option, cause such Borrower to comply therewith and any and all out-of-pocket costs and expenses incurred by Lender in connection therewith shall be secured by the Mortgages and the other Loan Documents and shall be immediately due and payable.

(b) No Borrower or any owner of a direct or indirect interest in any Borrower (i) is or will be listed on any Government Lists, (ii) is or will be a person who has been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001) or any other similar prohibitions contained in the rules and regulations of OFAC or in any enabling legislation or other Presidential Executive Orders in respect thereof, (iii) has been previously or will be indicted for or convicted of any felony involving a crime or

crimes of moral turpitude or for any Patriot Act Offense, or (iv) is currently or will be under investigation by any Governmental Authority for alleged criminal activity. For purposes hereof, the term "***Patriot Act Offense***" means any violation of the criminal laws of the United States of America or of any of the several states, or that would be a criminal violation if committed within the jurisdiction of the United States of America or any of the several states, relating to terrorism or the laundering of monetary instruments, including any offense under any Anti-Money Laundering Laws. "***Patriot Act Offense***" also includes the crimes of conspiracy to commit, or aiding and abetting another to commit, a Patriot Act Offense. For purposes hereof, the term "***Government Lists***" means (1) the Specially Designated Nationals and Blocked Persons Lists maintained by the Office of Foreign Assets Control (***OFAC***"), (2) any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the Rules and Regulations of OFAC that Lender notified Borrowers in writing is now included in "***Government Lists***", or (3) any similar lists maintained by the United States Department of State, the United States Department of Commerce or any other Governmental Authority or pursuant to any Executive Order of the President of the United States of America that Lender notified Borrowers in writing is now included in "***Government Lists***".

(c) At all times throughout the term of the Loan, including after giving effect to any Transfers permitted pursuant to the Loan Documents, (a) none of the funds or other assets of any Borrower, Key Principal or any Guarantor shall constitute property of, or shall be beneficially owned, directly or indirectly, by any Person subject to trade restrictions under United States law, including, but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder, with the result that the investment in such Borrower, Key Principal or such Guarantor, as applicable (whether directly or indirectly), would be prohibited by law (each, an "***Embargoed Person***"), or the Loan made by Lender would be in violation of law, (b) no Embargoed Person shall have any interest of any nature whatsoever in such Borrower, Key Principal or such Guarantor, as applicable, with the result that the investment in such Borrower, Key Principal or such Guarantor, as applicable (whether directly or indirectly), would be prohibited by law or the Loan would be in violation of law, and (c) none of the funds of any Borrower, Key Principal or any Guarantor, as applicable, shall be derived from any unlawful activity with the result that the investment in such Borrower, Key Principal or such Guarantor, as applicable (whether directly or indirectly), would be prohibited by law or the Loan would be in violation of law.

Section 4.33 **Anti-Corruption Obligations**. Each Borrower represents and warrants that, in connection with this Agreement, each Borrower, SPC Party and, to each Borrower's knowledge, each Person that has an economic interest in any Borrower and/or SPC Party, has complied with and will continue to comply with all applicable anti-bribery and corruption laws and regulations, including the U.S. Foreign Corrupt Practices Act of 1977 and the U.K. Bribery Act 2010 (the "***Anti-Corruption Obligation***"). Each Borrower and SPC Party shall, at all times throughout the Term, maintain and enforce appropriate policies, procedures and controls to ensure compliance with the Anti-Corruption Obligation.

Section 4.34 Intentionally Omitted.

Section 4.35 Condominium Covenants.

(a) Borrowers shall perform in all material respects all of the obligations of the Unit owner under the Condominium Documents.

(b) Borrowers shall promptly pay, when due and payable all charges, dues and assessments imposed on the Unit owner under the Condominium Documents, including without limitation, any Common Charges. If Borrowers shall default in the performance or observance of any material term, covenant or condition of any of the Condominium Documents on the part of the Borrower owning the Unit to be performed or observed, then, after the expiration of any applicable notice and cure periods and without limiting the generality of the other provisions of the Mortgage and this Agreement and without waiving or releasing Borrowers from any of their obligations hereunder, Lender shall have the right, but shall be under no obligation, to pay any sums and to perform any act or take any action as may be appropriate to cause all of the terms, covenants and conditions of the Condominium Documents on the part of the Borrower owning the Unit, to be performed or observed or to be promptly performed or observed on behalf of Borrowers. Lender and any person designated as Lender's agent by Lender shall have, and are hereby granted, the right to enter upon the Property at any reasonable time, on reasonable notice and from time to time for the purpose of taking any such action. If Borrowers fail to pay the Common Charges when due, Lender may pay the same and such amounts shall be added to the Debt and shall bear interest at the Default Rate until paid. All sums so paid and expended by Lender and the interest thereon shall be secured by the Mortgage.

(c) Without Lender's prior consent, not to be unreasonably withheld or delayed, no Borrower shall (i) modify, change, supplement, alter, amend in any material respect or terminate any of the Condominium Documents, (ii) waive or release any rights thereunder or (iii) consent to any material increase in its obligations thereunder. Borrowers hereby assign to Lender, as further security for the payment of the Debt and for the performance and observance of the terms, covenants and conditions of the Mortgage and this Agreement, all of the rights, privileges and prerogatives of any Borrower, to modify, change, supplement, alter, amend or terminate any of the Condominium Documents as provided above and any modification, change, supplement, alteration, amendment or termination of any of the Condominium Documents in violation of the foregoing without the prior consent of Lender shall be void and of no force and effect. Borrowers may make any immaterial modification, change, supplement, alteration, or amendment to the Condominium Documents without Lender's consent unless such an immaterial modification, change, supplement, alteration, amendment would reasonably be expected to (A) materially adversely affect any Borrower or any Property, or any Borrower's business, properties, operations or condition, financial or otherwise, (B) adversely affect the rights of Lender to foreclose the Lien of the Mortgage or exercise its other rights under the Loan Documents or (C) otherwise impair the Lien of the Mortgage. The Condominium shall not be terminated without Lender's prior written consent (whether as a result of a Casualty, Condemnation or otherwise). Notwithstanding anything to the contrary contained in this clause (c), Borrowers may obtain an amendment to the Quincy at Fourteenth Condominium Bylaws in the same form and substance attached hereto as **Schedule X** (the "***Permitted Condo Amendment***"), provided Lender shall have determined that each of the following conditions are satisfied: (A) no Event of Default shall be continuing; (B) the representations and warranties made by Borrowers and Guarantors in this Agreement and the other Loan Documents with respect to the Condominium shall remain true and correct in all material respects on and as of the date of such Permitted Condo Amendment; (C) to the extent the legal description attached to the applicable Mortgage, Assignment of Leases and the UCC financing statements (collectively, the "***DC Recordable Documents***") reference the Condominium

Documents, Borrower shall submit to Lender for its approval not less than twenty (20) days prior to the date of such Permitted Condo Amendment, (1) amendments to each of the DC Recordable Documents with a revised legal description reflecting the Permitted Condo Amendment, (2) (x) an ALTA 11-06 Endorsement (Mortgage Modification) and (y) a blank endorsement amending the applicable Title Insurance Policy so that its coverage shall relate to the date of recording of the amended Mortgage instead of the date of the Title Insurance Policy (the "***Date Down Endorsement***"), which endorsements shall be issued by the title company that issued the Title Insurance Policy insuring the lien of the existing Mortgage with respect to the DC Property ("***Existing Title Company***"). The Date Down Endorsement shall confirm that the Mortgage, as amended, creates a valid first lien on the DC Property encumbered thereby, free and clear of all exceptions from coverage other than Permitted Encumbrances and standard exceptions and exclusions from coverage (as modified by the terms of any endorsements) substantially similar to those accepted by Lender in connection with the Title Insurance Policy for the existing Mortgage and (3) an Officer's Certificate certifying that such documentation delivered pursuant to this clause (C) is in compliance with all Legal Requirements and all requirements of the Loan Documents; (D) Borrowers shall reimburse Lender and Servicer for costs and expenses incurred by Lender and Servicer in connection with such Permitted Condo Amendment and Borrower shall have paid, in connection with the execution and recording of the amended DC Recordable Documents, (1) all recording charges, filing fees, taxes or other expenses payable in connection therewith and (2) to an Servicer, the then current fee being assessed by such Servicer(s) to effect such execution and recordation of the amended DC Recordable Documents, not to exceed the fee customarily being assessed by Servicers to borrowers for similar services; and (E) Borrowers shall deliver to Lender (1) a fully executed copy of the Permitted Condo Amendment within ten (10) days following the date of the Permitted Condo Amendment and (2) following recordation of the amended DC Recordable Documents, copies of such recorded documents.

(d) In each and every case in which, under the provisions of the Condominium Documents, the consent or the vote of the "Unit Owners" or Board of Directors (as defined below) is required, no Borrower shall vote or give such consent or allow the members on the Board of Directors appointed by such Borrower to vote or give such consent, in any manner that could impair the Lien of any Mortgage or the security therefor without, in each and every case, the prior written consent of Lender.

(e) Borrowers shall cause each of the members of the Board of Directors appointed by such Borrower to execute and deliver to Lender an undated conditional resignation (a "***Conditional Resignation***") of each such member, whereby each such member tenders his/her resignation from the Board of Directors and instructs the Board of Directors that the successor members shall be designated by Lender, effective upon written notice from Lender to the Board of Directors that an Event of Default has occurred; it being understood and agreed to that such notice from the Lender shall be conclusive evidence that an Event of Default has occurred and the Board of Directors may rely on such notice from Lender without any further inquiry or investigation. Upon the occurrence of an Event of Default and the acceleration of the Loan, Lender may, by notice to Borrowers, tender any Conditional Resignation, now or hereafter delivered in connection with the Loan to the Board of Directors, whereupon the resignation of any such member shall become effective and successor members to the Board of Directors shall be designated by Lender.

(f) No Borrower shall remove or replace any of the members of the Board of Directors appointed by such Borrower without the prior consent of Lender, not to be unreasonably withheld or delayed; provided that such consent may be conditioned upon the delivery of a Conditional Resignation by such replacement member.

ARTICLE 5

INSURANCE, CASUALTY AND CONDEMNATION

Section 5.1 Insurance.

5.1.1 Insurance Policies.

(a) Each Borrower, at its sole cost and expense, shall obtain and maintain during the entire Term, or cause the Condo Association to obtain and maintain (in accordance with the terms and conditions of the Condominium Documents), as applicable, insurance policies for such Borrower and the Property or Properties owned by such Borrower, providing at least the following coverages:

(i) Property insurance against loss or damage by fire, any type of wind (including named storms), lightning and such other perils as are included in a standard "special form" or "all-risk" policy, and against loss or damage by all other risks and hazards covered by a standard extended coverage insurance policy, with no exclusion for damage or destruction caused by acts of terrorism (or, subject to Section 5.1.1(i) below, standalone coverage with respect thereto) riot and civil commotion, vandalism, malicious mischief, burglary and theft (A) in an amount equal to one hundred percent (100%) of the "***Full Replacement Cost***" of such Property, which for purposes of this Agreement shall mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings) with a waiver of depreciation; (B) have deductibles no greater than $25,000, with the exception of windstorm or earthquake, which may have deductibles not to exceed five percent (5%) of the total insurable value of such Property per occurrence; (C) to be written on a no coinsurance form or containing an agreed amount endorsement with respect to the Improvements and personal property at such Property waiving all co-insurance provisions; and (D) containing "***Ordinance or Law Coverage***" if any of the Improvements or the use of such Property shall at any time constitute legal non-conforming structures or uses, and compensating for loss to the undamaged portion of the building (with a limit equal to replacement cost), the cost of demolition and the increased costs of construction, each in amounts as required by Lender. In addition, each Borrower shall obtain: (y) if any portion of the Improvements or Personal Property is currently or at any time in the future located in a federally designated special flood hazard area ("***SFHA***"), flood hazard insurance for all such Improvements and/or Personal Property located in the SFHA in an amount equal to the (1) the maximum amount of building and, if applicable, contents insurance available under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973 or the National Flood Insurance Reform Act of 1994, as each may be amended (the "***Flood Insurance Acts***") plus (2) such additional coverage as Lender shall require, subject to a deductible not to exceed an amount equal to the maximum available through the Flood Insurance Acts; and (z) earthquake insurance in amounts and in form and substance satisfactory to Lender (*provided* that Lender shall not require

earthquake insurance unless such Property is located in an area with a high degree of seismic activity and a Probable Maximum Loss ("***PML***") or Scenario Expected Loss ("***SEL***") of greater than 20%), provided that the insurance pursuant toclauses (y) and (z) hereof shall be on terms consistent with the comprehensive all risk insurance policy required under this subsection (i);

(ii) commercial general liability insurance, including coverages against claims for personal injury, bodily injury, death or property damage occurring upon, in or about such Property, such insurance (A) to be on the so-called "occurrence" form and containing minimum limits per occurrence of One Million and 00/100 Dollars ($1,000,000.00), with a combined limit per policy year, excluding umbrella coverage, of not less than Two Million and 00/100 Dollars ($2,000,000.00); (B) to continue at not less than the aforesaid limit until required to be changed by Lender by reason of changed economic conditions making such protection inadequate; and (C) to cover at least the following hazards: (1) such Property and operations; (2) products and completed operations on an "if any" basis; (3) independent contractors; and (4) contractual liability for all insured contracts to the extent the same is available;

(iii) rental loss and/or business income interruption insurance (A) with loss payable to Lender; (B) covering all risks required to be covered by the insurance provided for in subsection (i), subsection (vi) below and above and Section 5.1.1(h) below; (C) covering a period of restoration of twelve (12) months and containing an extended period of indemnity endorsement which provides that after the physical loss to the Improvements and Personal Property has been repaired, the continued loss of income will be insured until such income either returns to the same level it was at prior to the loss, or the expiration of six (6) months from the date that such Property is repaired or replaced and operations are resumed, whichever first occurs, and notwithstanding that the policy may expire prior to the end of such period; and (D) in an amount equal to one hundred percent (100%) of the projected Gross Revenue from such Property (less non-continuing expenses) for a period of twelve (12) months. The amount of such business income insurance shall be determined prior to the date hereof and at least once each year thereafter based on Borrowers' reasonable estimate of the Gross Revenue from such Property (less non-continuing expenses) for the succeeding twelve (12) month period. All proceeds payable to Lender pursuant to this subsection shall be held by Lender and shall be applied to the Obligations secured by the Loan Documents from time to time due and payable hereunder and under the Note; provided, however, that nothing herein contained shall be deemed to relieve Borrowers of its Obligations to pay the Debt on the respective dates of payment provided for in the Note and the other Loan Documents except to the extent such amounts are actually paid out of the proceeds of such business income insurance;

(iv) at all times during which structural construction, repairs or alterations are being made with respect to the Improvements, and only if such Property coverage form does not otherwise apply, (A) commercial general liability and umbrella liability insurance covering claims related to the constructions, repairs or alterations being made which are not covered by or under the terms or provisions of the commercial general liability and umbrella liability insurance policy required as set forth in Section 5.1.1(a); and (B) the insurance provided for in subsection (i) above written in a so-called builder's risk completed value form (1) on anon-reporting basis, (2) against all risks insured against pursuant to subsection (i) above, (3) including permission to occupy such Property, and (4) with an agreed amount endorsement waiving co-insurance provisions;

(v) workers' compensation, subject to the statutory limits of the state in which such Property is located, and employer's liability insurance with limits which are required from time to time by Lender in respect of any work or operations on or about such Property, or in connection with such Property or its operation (if applicable);

(vi) comprehensive boiler and machinery/equipment breakdown insurance, if applicable, in amounts as shall be reasonably required by Lender on terms consistent with the commercial property insurance policy required under subsection (i) above;

(vii) umbrella liability insurance in addition to primary coverage in an amount not less than $5,000,000.00, per location, per occurrence on terms consistent with the commercial general liability insurance policy required under subsection (ii) above and subsection (viii) below;

(viii) motor vehicle liability coverage for all owned and non-owned vehicles, including rented and leased vehicles containing minimum limits per occurrence, including umbrella coverage, with limits which are required from time to time by Lender (if applicable);

(ix) intentionally omitted;

(x) insurance against employee dishonesty with respect to any employees of any Borrower in an amount not less than one (1) month of Gross Revenue from the Properties and with a deductible not greater than Twenty-Five Thousand and 00/100 Dollars ($25,000.00); and

(xi) upon sixty (60) days notice, such other reasonable insurance and in such reasonable amounts as Lender from time to time may reasonably request against such other insurable hazards which at the time are commonly insured against for properties similar to such Property located in or around the region in which such Property is located.

(b) All insurance provided for in Section 5.1.1(a) shall be obtained under valid and enforceable policies (collectively, the "***Policies***" or in the singular, the "***Policy***") and shall be subject to the approval of Lender as to form and substance, including insurance companies, amounts, deductibles, loss payees and insureds. Not less than ten (10) days prior to the expiration dates of the Policies theretofore furnished to Lender, certificates of insurance evidencing the Policies (and, upon the written request of Lender, copies of such Policies) accompanied by evidence satisfactory to Lender of payment of the premiums then due thereunder (the "***Insurance Premiums***"), shall be delivered by each Borrower to Lender. Borrower shall promptly forward to Lender a copy of each written notice received by Borrower of any modification, reduction or cancellation of any of the Policies or of any of the coverages afforded under any of the Policies.

(c) Any blanket insurance Policy shall be subject to Lender approval and shall otherwise provide the same protection as would a separate Policy insuring only the Properties in compliance with the provisions of Section 5.1.1(a) (any such blanket policy, an "***Acceptable***

Blanket Policy"). To the extent that the Policies are maintained pursuant to an Acceptable Blanket Policy that covers more than one location within a one thousand foot radius of any Property (the "***Radius***"), the limits of such Acceptable Blanket Policy must be sufficient to maintain coverage as set forth in Section 5.1.1(a) for each Property and any and all other locations combined within the Radius that are covered by such blanket policy calculated on a total insured value basis.

(d) All Policies of insurance provided for or contemplated by Section 5.1.1(a), shall name the applicable Borrower as a named insured and, with respect to Policies of liability insurance except for the Policies referenced in Section 5.1.1(a)(v) and (viii), shall name the applicable Borrower as a named insured and Lender and its successors and/or assigns as additional insured, as its interests may appear, and in the case of Policies of property insurance, including but not limited to special form/all-risk, boiler and machinery, terrorism, windstorm, flood, rental loss and/or business interruption and earthquake insurance, shall contain a standard non-contributing mortgagee clause in favor of Lender providing that the loss thereunder shall be payable to Lender unless below the threshold for such Borrower to handle such claim without Lender intervention as provided in Section 5.2 below. Additionally, if any Borrower obtains property insurance coverage in addition to or in excess of that required by Section 5.1.1(a)(i), then such insurance policies shall also contain a standard non-contributing mortgagee clause in favor of Lender providing that the loss thereunder shall be payable to Lender.

(e) All Policies of insurance provided for in Section 5.1.1(a) shall:

(i) with respect to the Policies of property insurance, contain clauses or endorsements to the effect that, (1) no act or negligence of any Borrower, or anyone acting for any Borrower, or of any Tenant or other occupant, or failure to comply with the provisions of any Policy, which might otherwise result in a forfeiture of the insurance or any part thereof, or foreclosure or similar action, shall in any way affect the validity or enforceability of the insurance insofar as Lender is concerned, (2) the Policies shall not be cancelled without at least 30 days' written notice to Lender, except ten (10) days' notice for non-payment of premium and (3) the issuer(s) of the Policies shall give written notice to Lender if the issuers elect not to renew the Policies prior to its expiration;

(ii) with respect to all Policies of liability insurance, if obtainable by a Borrower using commercially reasonable efforts, contain clauses or endorsements to the effect that, (1) the Policy shall not be canceled without at least thirty (30) days' written notice to Lender and any other party named therein as an additional insured (other than in the case of non-payment in which case only ten days prior notice, or the shortest time allowed by applicable Legal Requirement (whichever is longer), will be required) and shall not be materially changed (other than to increase the coverage provided thereby) without such a thirty (30) day notice and (2) the issuers thereof shall give notice to Lender if the issuers elect not to renew such Policies prior to its expiration. If the issuers cannot or will not provide notice, the applicable Borrower shall be obligated to provide such notice; and

(iii) not contain any clause or provision that would make Lender liable for any Insurance Premiums thereon or subject to any assessments thereunder.

(f) If at any time Lender is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Lender shall have the right, without notice to the applicable Borrower, to take such action as Lender deems necessary to protect its interest in the

applicable Property, including the obtaining of such insurance coverage as Lender in its sole discretion deems appropriate and all premiums incurred by Lender in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Borrowers to Lender upon demand and until paid shall be secured by the Mortgages and shall bear interest at the Default Rate.

(g) In the event of foreclosure of the Mortgages or other transfer of title to the Properties in extinguishment in whole or in part of the Obligations, all right, title and interest of Borrowers in and to the Policies that are not blanket Policies then in force concerning the Properties and all proceeds payable thereunder shall thereupon vest in the purchaser at such foreclosure or Lender or other transferee in the event of such other transfer of title.

(h) The property insurance, commercial general liability, umbrella liability insurance and rental loss and/or business interruption insurance required under Sections 5.1.1(a)(i), (ii), (iii) and (vii) above shall cover perils of terrorism and acts of terrorism (or at least not specifically exclude same) and Borrowers shall maintain property insurance, commercial general liability, umbrella liability insurance and rental loss and/or business interruption insurance for loss resulting from perils and acts of terrorism on terms (including amounts and deductibles) consistent with those required under Sections 5.1.1(a)(i), (ii), (iii) and (vii) above (or at least not specifically excluding same) at all times during the term of the Loan. For so long as TRIPRA is in effect and continues to cover both foreign and domestic acts, Lender shall accept terrorism insurance with coverage against acts which are "certified" within the meaning of TRIPRA.

(i) Notwithstanding anything in subsection (a)(i) or (h) above to the contrary, each Borrower shall be required to obtain and maintain coverage in its property insurance Policy (or by a separate Policy) against loss or damage by terrorist acts in an amount equal to 100% of the "Full Replacement Cost" of the Property plus the rental loss and/or business interruption coverage under subsection (a)(iii) above; provided that such coverage is available. In the event that such coverage with respect to terrorist acts is not included as part of the "all risk" property policy required by subsection (a)(i) above, such Borrower shall, nevertheless be required to obtain coverage for terrorism (as standalone coverage) in an amount equal to 100% of the "Full Replacement Cost" of such Property plus the rental loss and/or business interruption coverage under subsection (a)(iii) above; provided that such coverage is available. Borrowers shall obtain the coverage required under this clause (i) from a carrier which otherwise satisfies the rating criteria specified in Section 5.1.2 below (a "***Qualified Carrier***") or in the event that such coverage is not available from a Qualified Carrier, Borrowers shall obtain such coverage from the highest rated insurance company providing such coverage.

5.1.2 **Insurance Company**. All Policies required pursuant to Section 5.1.1: (i) shall be issued by companies authorized or licensed to do business in the state where the Property is located, with a financial strength and claims paying ability rating of (1) "A" or better by S&P and (2) "A:X" or better in the current Best's Insurance Reports; (ii) shall, with respect to all property insurance policies and rental loss and/or business interruption insurance policies, contain a Standard Mortgagee Clause/Lender's Loss Payable Endorsement, or their equivalents, naming Lender as the person to whom all payments made by such insurance company shall be paid; (iii) shall contain a waiver of subrogation against Lender; (iv) shall contain such provisions as Lender deems reasonably necessary or desirable to protect its interest including endorsements

providing (A) that no Borrower, Lender or any other party shall be a co-insurer under said Policies and (B) in addition to complying with any other requirements expressly set forth in Section 5.1 for a deductible per loss of an amount not more than that which is customarily maintained by prudent owners of properties with a standard of operation and maintenance comparable to and in the general vicinity of such Property, but in no event in excess of an amount reasonably acceptable to Lender; and (v) shall be satisfactory in form and substance to Lender and shall be approved by Lender as to amounts, form, risk coverage, deductibles, loss payees and insureds. In addition to the insurance coverages described in Section 5.1.1 above, Borrowers shall obtain such other insurance as may from time to time be reasonably required by Lender in order to protect its interests. Complete copies of the Policies shall be delivered to Lender at the address below (or to such other address or Person as Lender shall designate from time to time by notice to Borrowers) on the date hereof with respect to the current Policies and within thirty (30) days after the effective date thereof with respect to all renewal Policies:

DBR Investments Co. Limited
60 Wall Street, 10th Floor
New York, New York 10005
Attn: Joanne Marcino

Borrowers shall pay the Insurance Premiums annually in advance as the same become due and payable and shall furnish to Lender evidence of the renewal of each of the Policies with receipts for the payment of the Insurance Premiums or other evidence of such payment reasonably satisfactory to Lender (provided, however, that no Borrower shall be required to pay such Insurance Premiums or furnish such evidence of payment to Lender in the event that the amounts required to pay such Insurance Premiums have been deposited into the Insurance Account pursuant to Section 6.4 hereof). Within thirty (30) days after request by Lender, Borrowers shall obtain such increases in the amounts of coverage required hereunder as may be reasonably requested by Lender, taking into consideration changes in the value of money over time, changes in liability laws, changes in prudent customs and practices.

5.1.3 **Condominium**. If, at any time and from time to time during the Loan, the insurance policies maintained by the Condominium Association on the Common Elements do not fully comply with the requirements set forth in this Section 5.1 or are not otherwise acceptable to Lender in its sole discretion, then Borrowers shall promptly notify Lender in writing and Borrowers shall promptly, at their sole cost and expense, either procure and maintain or cause the Condominium Association to procure and maintain either (x) "primary" insurance coverage in the event that the Condominium Association does not provide the applicable insurance coverage required in this Section 5.1 or (y) "excess and contingent" insurance coverage over and above any other valid and collectible coverage then in existence, in the event that the Condominium Association does not have the sufficient insurance coverage required under Section 5.1, as shall be necessary to bring such insurance coverage into full compliance with all of the terms and conditions of this Section 5.1. Notwithstanding anything to the contrary contained herein, it shall not be deemed an Event of Default (and Borrowers shall not be required to maintain the insurance coverage specified in clauses (x) or (y) above) in the event the insurance policies maintained by the Condominium Association on the Common Elements do not fully comply with the requirements set forth in this Section 5.1 so long as Lender determines that such insurance is acceptable notwithstanding such failure in its sole and absolute discretion.

Section 5.2 **Casualty**. If any Property shall be damaged or destroyed, in whole or in part, by fire or other casualty (a "***Casualty***"), Borrowers shall give prompt notice thereof to Lender. Following the occurrence of a Casualty, Borrowers, regardless of whether insurance proceeds are available, shall promptly proceed to restore, repair, replace or rebuild the affected Property in accordance with Legal Requirements to be of at least equal value and of substantially the same character as prior to such damage or destruction and exercise Borrowers' rights under the Condominium Documents to cause the Condo Association to restore the common elements of the Condominium, as applicable. Lender may, but shall not be obligated to, make proof of loss if not made promptly by Borrowers. In addition, Lender may participate in any settlement discussions with any insurance companies (and shall approve any final settlement) (i) if an Event of Default is continuing or (ii) with respect to any Casualty in which the Net Proceeds or the costs of completing the Restoration are equal to or greater than, with respect to the affected Property, two percent (2%) of the Allocated Loan Amount for such Property, and Borrowers shall deliver to Lender all instruments required by Lender to permit such participation. Except as set forth in the foregoing sentence, any Insurance Proceeds in connection with any Casualty (whether or not Lender elects to settle and adjust the claim or Borrowers settle such claim) shall be due and payable solely to Lender and held by Lender in accordance with the terms of this Agreement. In the event Borrowers or any party other than Lender is a payee on any check representing Insurance Proceeds with respect to any Casualty, Borrowers shall immediately endorse, and cause all such third parties to endorse, such check payable to the order of Lender. Each Borrower hereby irrevocably appoints Lender as its attorney-in-fact, coupled with an interest, to endorse any such check payable to the order of Lender. Each Borrower hereby releases Lender from any and all liability with respect to the settlement and adjustment by Lender of any claims in respect of any Casualty.

Section 5.3 **Condemnation**. Borrowers shall promptly give Lender notice of the actual or threatened commencement of any proceeding for the Condemnation of all or any portion of any Property and shall deliver to Lender copies of any and all papers served in connection with such proceedings. Lender may participate in any such proceedings to the extent of Borrowers' rights to do so as owners of the Properties and as the owner of the Unit, and Borrowers shall from time to time deliver to Lender all instruments requested by it to permit such participation. Borrowers shall, to the extent of Borrowers' rights to do so as owners of the Properties and as the owner of the Unit, at its expense, diligently prosecute any such proceedings, and shall consult with Lender, its attorneys and experts, and cooperate with them in the carrying on or defense of any such proceedings. Notwithstanding any taking by any public or quasi-public authority through Condemnation or otherwise (including, but not limited to, any transfer made in lieu of or in anticipation of the exercise of such taking), Borrowers shall continue to pay the Debt at the time and in the manner provided for its payment in the Note and in this Agreement and the Debt shall not be reduced until any Award shall have been actually received and applied by Lender, after the deduction of expenses of collection, to the reduction or discharge of the Debt. Lender shall not be limited to the interest paid on the Award by the condemning authority but shall be entitled to receive out of the Award interest at the rate or rates provided herein or in the Note. If any Property or any portion thereof is taken by a condemning authority, Borrowers shall, to the extent of Borrowers' rights to do so as owners of the Properties and as the owner of the Unit, promptly commence and diligently prosecute the Restoration of such Property and otherwise comply with the provisions of Section 5.4, whether or not an

Award is available to pay the costs of such Restoration. If such Property is sold, through foreclosure or otherwise, prior to the receipt by Lender of the Award, Lender shall have the right, whether or not a deficiency judgment on the Note shall have been sought, recovered or denied, to receive the Award, or a portion thereof sufficient to pay the Debt.

Section 5.4 Restoration. The following provisions shall apply in connection with the Restoration:

(a) If the Net Proceeds shall be less than, with respect to the affected Property, one percent (1%) of the Allocated Loan Amount for such Property, and provided no Event of Default is continuing, the Net Proceeds will be disbursed by Lender to Borrowers upon receipt, provided that all of the conditions set forth in Section 5.4(b)(i) are met and Borrowers deliver to Lender a written undertaking to expeditiously commence and to satisfactorily complete with due diligence the Restoration in accordance with the terms of this Agreement.

(b) If the Net Proceeds are equal to or greater than, with respect to the affected Property, one percent (1%) of the Allocated Loan Amount for such Property, the Net Proceeds will be held by Lender and Lender shall make the Net Proceeds available for the Restoration in accordance with the provisions of this Section 5.4. The term "***Net Proceeds***" shall mean: (i) the net amount of all insurance proceeds received by Lender pursuant to Section 5.1.1(a)(i), (iii), (iv), and (vi) and Section 5.1.1(h) as a result of such damage or destruction, after deduction of its reasonable costs and expenses (including, but not limited to, reasonable counsel fees), if any, in collecting same ("***Insurance Proceeds***"), or (ii) the net amount of the Award, after deduction of its reasonable costs and expenses (including, but not limited to, reasonable counsel fees), if any, in collecting same ("***Condemnation Proceeds***"), whichever the case may be.

(i) The Net Proceeds shall be made available to Borrowers for Restoration upon the determination of Lender, in its sole but reasonable discretion, that the following conditions are met:

(A) no Event of Default shall have occurred and be continuing;

(B) (1) in the event the Net Proceeds are Insurance Proceeds, less than twenty-five percent (25%) of the total floor area of the Improvements on the affected Property has been damaged, destroyed or rendered unusable as a result of such Casualty or (2) in the event the Net Proceeds are Condemnation Proceeds, less than ten percent (10%) of (i) the Unit and Common Elements allocable thereto are taken, or (ii) the land constituting the affected Property is taken, and such land is located along the perimeter or periphery of such Property, and no portion of the Improvements is located on such land;

(C) Leases demising in the aggregate a percentage amount equal to or greater than seventy-five percent (75%) of the total rentable space in the affected Property which has been demised under executed and delivered Leases in effect as of the date of the occurrence of such Casualty or Condemnation, whichever the case may be, shall remain in full force and effect during and after the completion of the Restoration without abatement of rent beyond the time required for Restoration, notwithstanding the occurrence of any such Casualty or Condemnation, whichever the case may be, and will make all necessary repairs and restorations thereto that are not being made by Borrowers as part of the Restoration at their sole cost and expense;

(D) Borrowers shall commence the Restoration as soon as reasonably practicable (but in no event later than sixty (60) days after such Casualty or Condemnation, whichever the case may be, occurs) and shall diligently pursue the same to satisfactory completion;

(E) Lender shall be reasonably satisfied that any operating deficits, including all scheduled payments of principal and interest under the Note, which will be incurred with respect to the affected Property as a result of the occurrence of any such Casualty or Condemnation, whichever the case may be, will be covered out of (1) the Net Proceeds, (2) the insurance coverage referred to in Section 5.1.1(a)(iii), if applicable, or (3) by other funds of Borrowers;

(F) Lender shall be reasonably satisfied that the (x) Restoration will be completed on or before the earliest to occur of (1) the date six (6) months prior to the Stated Maturity Date, (2) the earliest date required for such completion under the terms of any Lease, (3) such time as may be required under applicable Legal Requirements or (4) six (6) months prior to the expiration of the insurance coverage referred to in Section 5.1.1(a)(iii) and (y) the affected Property can be restored to the affected Property'spre-existing condition and utility as existed immediately prior to such Casualty or Condemnation, and to an economic unit not less valuable and not less useful than the same was immediately prior to the Casualty or Condemnation;

(G) Lender shall be reasonably satisfied that the Restoration will be completed in accordance with any requirements under the Condominium Documents, as applicable;

(H) the affected Property and the use thereof after the Restoration will be in compliance with and permitted under all applicable Legal Requirements;

(I) such Casualty or Condemnation, as applicable, does not result in the loss of access to the affected Property or the related Improvements;

(J) the Restoration DSCR, after giving effect to the Restoration, shall be equal to or greater than**[ ]**:1.00;

(K) the Loan to Value Ratio after giving effect to the Restoration, shall be equal to or less than seventy-five percent (75%);

(L) Borrowers shall deliver, or cause to be delivered, to Lender a signed detailed budget approved in writing by Borrowers' architect or engineer stating the entire cost of completing the Restoration, which budget shall be reasonably acceptable to Lender; and

(M) the Net Proceeds together with any cash or cash equivalent deposited by Borrowers with Lender are sufficient in Lender's reasonable discretion to cover the cost of the Restoration.

(ii) The Net Proceeds shall be held by Lender in the Casualty and Condemnation Account and, until disbursed in accordance with the provisions of this Section 5.4(b), shall constitute additional security for the Debt and other obligations under the Loan Documents. The Net Proceeds shall be promptly disbursed by Lender to, or as directed by, Borrowers from time to time during the course of the Restoration, upon receipt of evidence reasonably satisfactory to Lender that (A) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested disbursement) in connection with the Restoration have been paid for in full, and (B) there exist no notices of pendency, stop orders, mechanic's or materialman's liens or notices of intention to file same, or any other liens or encumbrances of any nature whatsoever on the affected Property which have not either been fully bonded to the reasonable satisfaction of Lender and discharged of record or in the alternative fully insured to the satisfaction of Lender by the title company issuing the Title Insurance Policy for the affected Property.

(iii) All plans and specifications required in connection with the Restoration shall be subject to the prior approval of Lender and an independent consulting engineer selected by Lender (the "***Casualty Consultant***"), which approval shall not be unreasonably withheld, conditioned, or delayed. Lender shall have the use of the plans and specifications and all permits, licenses and approvals required or obtained in connection with the Restoration. The identity of the contractors, subcontractors and materialmen engaged in the Restoration, as well as the contracts under which they have been engaged, shall be subject to the approval of Lender and the Casualty Consultant, such approval shall not be unreasonably withheld, conditioned, or delayed. All out-of-pocket costs and expenses incurred by Lender in connection with recovering, holding and advancing the Net Proceeds for the Restoration including, without limitation, reasonable attorneys' fees and disbursements and the Casualty Consultant's fees and disbursements, shall be paid by Borrowers.

(iv) In no event shall Lender be obligated to make disbursements of the Net Proceeds in excess of an amount equal to the costs actually incurred from time to time for work in place as part of the Restoration, as certified by the Casualty Consultant, less the Casualty Retainage. The term "***Casualty Retainage***" shall mean, as to each contractor, subcontractor or materialman engaged in the Restoration, an amount equal to ten percent (10%) of the costs actually incurred for work in place as part of the Restoration, as certified by the Casualty Consultant, until the Restoration has been completed. The Casualty Retainage shall in no event, and notwithstanding anything to the contrary set forth above in this Section 5.4(b), be less than the amount actually held back by Borrowers from contractors, subcontractors and materialmen engaged in the Restoration. The Casualty Retainage shall not be released until the Casualty Consultant certifies to Lender that the Restoration has been completed in accordance with the provisions of this Section 5.4(b) and that all approvals necessary for there-occupancy and use of the affected Property have been obtained from all appropriate Governmental Authorities, and Lender receives evidence reasonably satisfactory to Lender that the costs of the Restoration have been paid in full or will be paid in full out of the Casualty Retainage; provided, however, that Lender

will release the portion of the Casualty Retainage being held with respect to any contractor, subcontractor or materialman engaged in the Restoration as of the date upon which (i) the Casualty Consultant certifies to Lender that such contractor, subcontractor or materialman has satisfactorily completed all work and has supplied all materials in accordance with the provisions of such contractor's, subcontractor's or materialman's contract, (ii) the contractor, subcontractor or materialman delivers the lien waivers and evidence of payment in full of all sums due to the contractor, subcontractor or materialman as may be reasonably requested by Lender or by the title company issuing the Title Insurance Policy for the affected Property, and (iii) Lender receives an endorsement to the Title Insurance Policy for the affected Property insuring the continued priority of the Lien of the Mortgage and evidence of payment of any premium payable for such endorsement. If required by Lender, the release of any such portion of the Casualty Retainage shall be approved by the surety company, if any, which has issued a payment or performance bond with respect to the contractor, subcontractor or materialman.

(v) Lender shall not be obligated to make disbursements of the Net Proceeds more frequently than once every calendar month.

(vi) If at any time the Net Proceeds or the undisbursed balance thereof shall not, in the reasonable opinion of Lender in consultation with the Casualty Consultant, be sufficient to pay in full the balance of the costs which are estimated by the Casualty Consultant to be incurred in connection with the completion of the Restoration, Borrowers shall deposit the deficiency (the "***Net Proceeds Deficiency***") with Lender (for deposit into the Casualty and Condemnation Account) before any further disbursement of the Net Proceeds shall be made. The Net Proceeds Deficiency deposited with Lender shall be deposited by Lender into the Casualty and Condemnation Account and shall be disbursed for costs actually incurred in connection with the Restoration on the same conditions applicable to the disbursement of the Net Proceeds, and until so disbursed pursuant to this Section 5.4(b) shall constitute additional security for the Obligations.

(vii) The excess, if any, of the Net Proceeds and the remaining balance, if any, of the Net Proceeds Deficiency deposited with Lender after the Casualty Consultant certifies to Lender that the Restoration has been completed in accordance with the provisions of this Section 5.4(b), and the receipt by Lender of evidence reasonably satisfactory to Lender that all costs incurred in connection with the Restoration have been paid in full, shall be remitted by Lender to Borrowers, provided no Event of Default shall have occurred and shall be continuing.

(c) Notwithstanding anything to the contrary set forth in this Agreement, including the provisions of this Section 5.4, if the Loan is included in a REMIC Trust and, immediately following a release of any portion of the Lien of any Mortgage following a Casualty or Condemnation (but taking into account any proposed Restoration of the remaining Property), the ratio of the unpaid principal balance of the Loan to the value of the remaining Property is greater than 125% (such value to be determined, in Lender's sole but reasonable discretion, by any commercially reasonable method permitted to a REMIC Trust; and which shall exclude the value of personal property or going concern value, if any), the Outstanding Principal Balance must be paid down by an amount equal to the least of the following amounts: (i) the net Award (after payment of Lender's costs and expenses and any other fees and expenses that have been approved

by Lender) or the net Insurance Proceeds (after payment of Lender's costs and expenses and any other fees and expenses that have been approved by Lender), as the case may be, or (ii) a "qualified amount" as that term is defined in the IRS Revenue Procedure 2010-30, as the same may be amended, replaced, supplemented or modified from time to time, unless Lender receives an opinion of counsel that if such amount is not paid, the applicable Securitization will not fail to maintain its status as a REMIC Trust as a result of the related release of such portion of the Lien of such Mortgage. If and to the extent the preceding sentence applies, only such amount of the net Award or net Insurance Proceeds (as applicable), if any, in excess of the amount required to pay down the principal balance of the Loan may be released for purposes of Restoration or released to Borrowers as otherwise expressly provided in this Section 5.4.

(d) All Net Proceeds not required (i) to be made available for the Restoration or (ii) to be returned to Borrowers as excess Net Proceeds pursuant to Section 5.4(b)(vii) may be retained and applied by Lender in accordance withSection 2.4.4 hereof toward the payment of the Debt whether or not then due and payable in such order, priority and proportions as Lender in its sole discretion shall deem proper, or, at the discretion of Lender, the same may be paid, either in whole or in part, to Borrowers for such purposes as Lender shall approve, in its discretion. Additionally, throughout the term of the Loan if an Event of Default is continuing, then Borrowers shall pay to Lender, with respect to any payment of the Debt pursuant to this Section 5.4(d), an additional amount equal to the Prepayment Fee and any applicable Liquidated Damages Amount; provided, however, that if an Event of Default is not continuing, then no Prepayment Fee or Liquidated Damages Amount shall be payable.

(e) In the event of foreclosure of any Mortgage, or other transfer of title to any Property in extinguishment in whole or in part of the Debt all right, title and interest of Borrowers in and to the Policies that are not blanket Policies then in force concerning such Property and all proceeds payable thereunder shall thereupon vest in the purchaser at such foreclosure or Lender or other transferee in the event of such other transfer of title.

(f) Notwithstanding anything to the contrary contained herein, if in connection with a Casualty any insurance company makes a payment under a property or business or rental interruption insurance Policy that Borrowers propose be treated as business or rental interruption insurance, then, notwithstanding any designation (or lack of designation) by the insurance company as to the purpose of such payment, as between Lender and Borrowers, such payment shall not be treated as business or rental interruption Insurance Proceeds unless Borrowers (i) have demonstrated to Lender's reasonable satisfaction that the remaining Net Proceeds that have been received from the property insurance companies are sufficient to pay 100% of the cost of the Restoration or, if such Net Proceeds are to be applied to repay the Obligations in accordance with the terms hereof, that such remaining Net Proceeds will be sufficient to satisfy the Obligations in full or (ii) to the extent Borrowers are not able to satisfy Lender as to the sufficiency of the remaining funds to pay 100% of the Restoration or to satisfy the Obligations in full prior to distribution of Net Proceeds, Borrowers have agreed to fund any shortfall from funds other than from Gross Revenues or borrowed funds and have provided such security as Lender may reasonably require to insure payment of such shortfalls. To the extent any payment under a property or business or rental interruption insurance Policy is treated as business or rental interruption insurance in accordance with this paragraph (f), such funds shall be deposited into the Casualty and Condemnation Account. Provided that no Event of Default then exists, Insurance Proceeds treated as business or rental interruption insurance in accordance with this paragraph (f)

(to the extent of available funds) shall be (A) first applied by Lender, on each Monthly Payment Date, to pay for Debt Service, deposits of Reserve Funds and payments of Monthly Operating Expense Budgeted Amount and Approved Extraordinary Operating Expenses, in each case as approved by Lender, actually incurred (collectively, the "***Approved Monthly BI Expenses***") for such month pursuant to, and in the priorities set forth in Section 6.13.1, and (B) second, to the extent that Lender determines that the amount of business or rental interruption Insurance Proceeds then remaining in the Casualty and Condemnation Account is sufficient to pay for all future Approved Monthly BI Expenses through the completion of the subject Restoration and stabilization of the subject Property, disbursed by Lender to Borrowers in an aggregate amount under this clause (B) not to exceed the Approved Monthly BI Expenses actually incurred and paid for by Borrowers from the date of the applicable Casualty to the date of the first installment of business or rental interruption Insurance Proceeds advanced by the applicable insurance company (as evidenced by supporting documentation by Borrowers that is acceptable to Lender). Provided no Trigger Period then exists, all remaining business or rental interruption insurance proceeds shall be disbursed to Borrowers upon the final completion of the subject Restoration and the recommencement of full unabated rent being paid by the Tenants under the Leases required to remain in place pursuant to Section 5.4(b)(i)(C).

Section 5.5 **Condominium Documents**. Notwithstanding anything to the contrary contained in the foregoing Sections 5.2 through 5.4, to the extent the Condominium Documents require that all or any portion of any Proceeds or Awards be paid to the Board of Directors and that the Board of Directors hold or otherwise control such Proceeds or Awards and complete a Restoration, then the obligations of Borrowers to deliver (or cause to be delivered) Proceeds or Awards to Lender and to complete such Restoration shall be deemed satisfied provided that: (i) the Borrower owning the Unit exercises its rights as owner of the Unit (through voting, appointment of members or the Board of Directors and any rights otherwise available to Borrower under the Condominium Documents) to cause the Board of Directors to comply with its obligations regarding the Restoration; (ii) Borrowers apply any Proceeds or Awards otherwise received by Borrowers in accordance with this Article 5 and completes the Restoration of any portions of the Property that the Board of Directors is not required to restore; and (iii) Borrowers comply with any requirements applicable to the Borrower owning the Unit under the Condominium Documents in order to enable Lender to obtain all rights to which mortgagees of commercial units in the Condominium are entitled under the Condominium Documents with respect to Proceeds and Awards and other matters described in this Article 5; provided, however, that if the Condominium Documents are hereafter terminated, the provisions of this Section 5.5 shall automatically cease to be of any force or effect. Nothing in this Section 5.5 shall preclude Borrowers' payment obligations (if any) under Section 5.4(c) above.

ARTICLE 6

CASH MANAGEMENT AND RESERVE FUNDS

Section 6.1 **Cash Management Arrangements**. Each Borrower shall cause all Rents relating to its Property to be transmitted directly by non-residential Tenants of such Property into a trust account (the "***Clearing Account***") established and maintained by Borrowers at an Eligible Institution selected by Borrowers and reasonably approved by

Lender (the "***Clearing Bank***") as more fully described in the Clearing Account Agreement. Borrower shall not terminate any related lockbox agreement and/or direct Clearing Bank pursuant to any related lockbox agreement to transfer any Gross Revenues deposited into the lockbox into any account other than the Clearing Account (the "***Lockbox Obligations***"). To the extent Borrowers receive notice from the Clearing Bank that it intends to terminate the Clearing Account Agreement, Borrowers shall establish a new Clearing Account at an Eligible Institution reasonably approved by Lender and enter into a new clearing account agreement that is substantially similar to then-existing Clearing Account Agreement (with such changes as are reasonably approved by Lender) on or prior to the date such then-existing Clearing Account Agreement is terminated. Without in any way limiting the foregoing, if Borrowers or Manager receive any Gross Revenue from the Properties, then (i) such amounts shall be deemed to be collateral for the Obligations and shall be held in trust for the benefit, and as the property, of Lender, (ii) such amounts shall not be commingled with any other funds or property of Borrowers or Manager, and (iii) each Borrower or Manager shall deposit such amounts in the Clearing Account within two (2) Business Days of receipt. Funds deposited into the Clearing Account shall be swept by the Clearing Bank on a daily basis into Borrowers' operating account at the Clearing Bank, unless a Trigger Period is continuing, in which event such funds shall be swept on a daily basis into the Deposit Account and applied and disbursed in accordance with this Agreement and the Cash Management Agreement. Funds in the Deposit Account that are invested shall be invested in Permitted Investments, as more particularly set forth in the Cash Management Agreement. Lender may also establish subaccounts of the Deposit Account which shall at all times be Eligible Accounts (and may be ledger or book entry accounts and not actual accounts) (such subaccounts are referred to herein as "***Accounts***"). The Deposit Account and all other Accounts will be under the sole control and dominion of Lender, and no Borrower shall have any right of withdrawal therefrom. Borrowers shall pay for all expenses of opening and maintaining all of the above accounts.

Section 6.2 Required Repairs Funds.

6.2.1 Deposit of Required Repairs Funds. Borrowers shall perform the repairs and other work at the Properties as set forth on **Schedule II** (such repairs and other work hereinafter referred to as "***Required Repairs***") and shall complete each of the Required Repairs on or before the respective deadline for each repair as set forth on **Schedule II**, which may be extended at Lender's option if diligently pursued. On the Closing Date, Borrowers shall deposit with or on behalf of Lender the amount set forth on such **Schedule II** as the estimated cost to complete the Required Repairs multiplied by **125%** (the "***Required Repairs Funds***"), which Required Repairs Funds shall be transferred by Deposit Bank into an Account (the "***Required Repairs Account***").

6.2.2 Release of Required Repairs Funds. Provided no Event of Default is continuing, Lender shall direct Servicer to disburse Required Repairs Funds to Borrowers out of the Required Repairs Account, within ten (10) days after the delivery by Borrowers to Lender of a request therefor (but not more often than once per month), in increments of at least $10,000 (or a lesser amount if the total amount in the Required Repairs Account is less than $10,000, in which case only one disbursement of the amount remaining in the account shall be made) provided that: (i) such disbursement is for Required Repairs; (ii) the request for disbursement is accompanied by (A) an Officer's Certificate from Borrowers (1) stating that the items to be funded by the requested disbursement are for Required Repairs, and a description thereof, (2) stating that all Required

Repairs to be funded by the requested disbursement have been completed in a good and workmanlike manner and in accordance with all applicable Legal Requirements, (3) identifying each Person that supplied materials or labor in connection with the Required Repairs to be funded by the requested disbursement, (4) stating that each such Person has been paid in full or will be paid in full upon such disbursement, or if such payment is a progress payment, that such payment represents full payment to such Person, less any applicable retention amount, for work completed through the date of the relevant invoice from such Person, (5) stating that the Required Repairs (or relevant portion thereof) to be funded have not been the subject of a previous disbursement, (6) stating that all previous disbursements of Required Repair Funds have been used to pay the previously identified Required Repairs, and (7) stating that all outstanding trade payables (other than those to be paid from the requested disbursement or those constituting Permitted Indebtedness) have been paid in full other than any applicable retention amount, (B) as to any completed Required Repair a copy of any license, permit or other approval by any Governmental Authority required, if any, in connection with the Required Repairs and not previously delivered to Lender, (C) copies of appropriate lien waivers (or conditional lien waivers) or other evidence of payment reasonably satisfactory to Lender, (D) at Lender's option, a title search for the applicable Property indicating that such Property is free from all Liens, claims and other encumbrances not previously approved by Lender, and (E) such other evidence as Lender shall reasonably request to demonstrate that the Required Repairs to be funded by the requested disbursement have been completed (or completed to the extent of the requested payment) and are paid for or will be paid upon such disbursement to Borrowers. If such disbursement request is for $30,000 or more, Lender shall have (if it desires) verified (by an inspection conducted at Borrowers' expense) performance of the work associated with such Required Repairs. Upon Borrowers' completion of all Required Repairs in accordance with this Section 6.2, Lender shall promptly direct Servicer to release any remaining Required Repairs Funds, if any, in the Required Repairs Account to Borrowers.

Section 6.3 Tax Funds.

6.3.1 Deposits of Tax Funds. Borrowers shall deposit with Lender (i) on the Closing Date, an amount equal to $19,257.02 and (ii) on each Monthly Payment Date, an amount equal to one-twelfth of the Real Estate Taxes that Lender estimates will be payable during the next ensuing twelve (12) months (initially, $4,814.25), in order to accumulate sufficient funds to pay all such Real Estate Taxes at least thirty (30) days prior to their respective due dates, which amounts shall be transferred into an Account (the "***Tax Account***"). Amounts deposited from time to time into the Tax Account pursuant to this Section 6.3.1 are referred to herein as the "***Tax Funds***". If at any time Lender reasonably determines that the Tax Funds will not be sufficient to pay the Real Estate Taxes, Lender shall notify Borrowers of such determination and the monthly deposits for Real Estate Taxes shall be increased by the amount that Lender reasonably estimates is sufficient to make up the deficiency at least ten (10) days prior to the respective due dates for the Real Estate Taxes; provided, that if Borrowers receive notice of any deficiency after the date that is ten (10) days prior to the date that Real Estate Taxes are due, Borrowers will deposit with or on behalf of Lender such amount within two (2) Business Days after its receipt of such notice.

6.3.2 Release of Tax Funds. Provided no Event of Default shall exist and remain uncured, Lender shall direct Servicer to apply Tax Funds in the Tax Account to payments of Real Estate Taxes. In making any payment relating to Real Estate Taxes, Lender may do so according to any bill, statement or estimate procured from the appropriate public office (with respect to Real Estate Taxes) without inquiry into the accuracy of such bill, statement or estimate or into the

validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof. If the amount of the Tax Funds shall exceed the amounts due for Real Estate Taxes and provided that no Trigger Period exists, Lender shall, in its sole discretion, return any excess to Borrowers or credit such excess against future payments to be made to the Tax Funds. Any Tax Funds remaining in the Tax Account after the Obligations have been paid in full shall be promptly returned to Borrowers.

Section 6.4 Insurance Funds.

6.4.1 Deposits of Insurance Funds. Borrowers shall deposit with or on behalf of Lender on each Monthly Payment Date, an amount equal to one-twelfth of the Insurance Premiums that Lender estimates will be payable for the renewal of the coverage afforded by the Policies upon the expiration thereof, in order to accumulate sufficient funds to pay all such Insurance Premiums at least thirty (30) days prior to the expiration of the Policies, which amounts shall be transferred into an Account established at Deposit Bank to hold such funds (the "***Insurance Account***"). Amounts deposited from time to time into the Insurance Account pursuant to this Section 6.4.1 are referred to herein as the "***Insurance Funds***". If at any time Lender reasonably determines that the Insurance Funds will not be sufficient to pay the Insurance Premiums, Lender shall notify Borrowers of such determination and the monthly deposits for Insurance Premiums shall be increased by the amount that Lender reasonably estimates is sufficient to make up the deficiency at least thirty (30) days prior to expiration of the Policies. For the avoidance of doubt, if deposits into the Insurance Account are no longer suspended pursuant to Section 6.4.3, Borrower shall be required to resume making deposits for Insurance Premiums with respect to any Policies required pursuant toSection 5.1 that are not maintained by the Condo Association in accordance with Section 5.1 hereof. Borrower shall not be required to make deposits for Insurance Premiums pursuant to this Section 6.4.1 with respect to any Policies maintained by the Condo Association in accordance withSection 5.1 hereof.

6.4.2 Release of Insurance Funds. Provided no Event of Default shall exist and remain uncured, Lender shall direct Servicer to apply Insurance Funds in the Insurance Account to the timely payment of Insurance Premiums, provided Borrowers shall furnish Lender with all bills, invoices and statements for the Insurance Premiums for which such funds are required at least thirty (30) days prior to the date on which such charges first become payable. In making any payment relating to Insurance Premiums, Lender may do so according to any bill, statement or estimate procured from the insurer or its agent, without inquiry into the accuracy of such bill, statement or estimate. If the amount of the Insurance Funds shall exceed the amounts due for Insurance Premiums and provided that no Trigger Period exists, Lender shall, in its sole discretion, return any excess to Borrowers or credit such excess against future payments to be made to the Insurance Funds. Any Insurance Funds remaining in the Insurance Account after the Obligations have been paid in full shall be promptly returned to Borrowers.

6.4.3 Acceptable Blanket Policy. Notwithstanding anything to the contrary contained inSection 6.4.1, in the event that an Acceptable Blanket Policy is in effect with respect to all of the Policies required pursuant to Section 5.1, deposits into the Insurance Account required for Insurance Premiums pursuant to Section 6.4.1 above shall be suspended to the extent that Insurance Premiums relate to such Acceptable Blanket Policy. As of the date hereof, an Acceptable Blanket Policy is in effect with respect to the Policies required as of the Closing Date pursuant to Section 5.1 that are not maintained by the Condo Association in accordance with Section 5.1 hereof.

Section 6.5 Capital Expenditure Funds.

6.5.1 Deposits of Capital Expenditure Funds. Borrowers shall deposit with or on behalf of Lender on each Monthly Payment Date, the amount of $1,136.67, for annual Capital Expenditures, which amounts shall be transferred into an Account (the "***Capital Expenditure Account***"). Amounts deposited from time to time into the Capital Expenditure Account pursuant to this Section 6.5.1 are referred to herein as the "***Capital Expenditure Funds***". Lender may reassess its estimate of the amount necessary for Capital Expenditures from time to time and may require Borrowers to increase the monthly deposits required pursuant to this Section 6.5.1 upon thirty (30) days notice to Borrowers if Lender determines in its reasonable discretion that an increase is necessary to maintain proper operation of the Properties.

6.5.2 Release of Capital Expenditure Funds. Provided no Event of Default is continuing, Lender shall direct Servicer to disburse Capital Expenditure Funds to Borrowers out of the Capital Expenditure Account, within ten (10) days after the delivery by Borrowers to Lender of a request therefor (but not more often than once per month), in increments of at least $10,000 (or a lesser amount if the total amount in the Capital Expenditure Account is less than $10,000, in which case only one disbursement of the amount remaining in the account shall be made) provided that: (i) such disbursement is for an Approved Capital Expenditure; (ii) the request for disbursement is accompanied by (A) an Officer's Certificate from Borrowers (1) stating that the items to be funded by the requested disbursement are Approved Capital Expenditures, and a description thereof, (2) stating that all Approved Capital Expenditures to be funded by the requested disbursement have been completed (or completed to the extent of the requested disbursement) in a good and workmanlike manner and in accordance with all applicable Legal Requirements, (3) identifying each Person that supplied materials or labor in connection with the Approved Capital Expenditures to be funded by the requested disbursement, (4) stating that each such Person has been paid in full or will be paid in full upon such disbursement, or if such payment is a progress payment, that such payment represents full payment to such Person, less any applicable retention amount, for work completed through the date of the relevant invoice from such Person, (5) stating that the Approved Capital Expenditures (or the relevant portions thereof) to be funded from the disbursement in question have not been the subject of a previous disbursement, (6) stating that all previous disbursements of Capital Expenditure Funds have been used to pay the previously identified Approved Capital Expenditures, and (7) stating that all outstanding trade payables (other than those to be paid from the requested disbursement or those constituting Permitted Indebtedness) have been paid in full other than any applicable retention amount, (B) a copy of any license, permit or other approval required by any Governmental Authority in connection with the Approved Capital Expenditures and not previously delivered to Lender, (C) copies of appropriate lien waivers, conditional lien waivers, or other evidence of payment reasonably satisfactory to Lender, (D) at Lender's option, a title search for the applicable Property indicating that such Property is free from all Liens, claims and other encumbrances not previously approved by Lender, and (E) such other evidence as Lender shall reasonably request to demonstrate that the Approved Capital Expenditures to be funded by the requested disbursement have been completed and are paid for or will be paid upon such disbursement to Borrowers (or the portion thereof as to which such request for disbursement has been submitted has been completed and is paid for (other than any retention amount which is not a part of such disbursement request) or will be paid upon such disbursement to Borrowers) and (iii) if such disbursement request is for $30,000 or more, Lender shall have (if it desires) verified (by an inspection conducted at Borrowers' expense) performance of the work associated with such Approved Capital Expenditure.

Section 6.6 Rollover Funds.

6.6.1 Deposits of Rollover Funds.

(a) Borrowers shall deposit with or on behalf of Lender on each Monthly Payment Date the sum of $5,797.00 (the "***Monthly Rollover Deposit***"), for tenant improvements and leasing commissions that may be incurred following the date hereof, which amounts shall be transferred into an Account (the "***Rollover Account***"). Lender may from time to time reassess its reasonable estimate of the required monthly amount necessary for tenant improvements and leasing commissions and, upon notice to Borrowers, Borrowers shall be required to deposit with or on behalf of Lender each month such reassessed amount, which shall be transferred into the Rollover Account. Amounts deposited from time to time into the Rollover Account pursuant to this Section 6.6.1 are referred to herein as the "***Rollover Funds***".

(b) In addition to the required monthly deposits set forth in subsection (a) above, the following items shall be deposited into the Rollover Account and held as Rollover Funds and shall be disbursed and released as set forth in Section 6.6.2 below, and Borrowers shall advise Lender at the time of receipt thereof of the nature of such receipt so that Lender shall have sufficient time to instruct the Deposit Bank to deposit and hold such amounts in the Rollover Account pursuant to the Cash Management Agreement:

(i) Other than Lease Sweep Lease Termination Payments (which shall be deposited into the Lease Sweep Account in accordance with Section 6.10.1 hereof), all sums paid with respect to (A) a modification of any Lease or otherwise paid in connection with any Borrower taking any action under any Lease (e.g., granting a consent) or waiving any provision thereof, (B) any settlement of claims of Borrower against third parties in connection with any Lease, (C) any rejection, termination, surrender or cancellation of any Lease (including in any bankruptcy case) or any lease buy-out or surrender payment from any Tenant (including any payment relating to unamortized tenant improvements and/or leasing commissions and/or application of any security deposit) (collectively, "***Lease Termination Payments***"), and (D) any sum received from any Tenant to obtain a consent to an assignment or sublet or otherwise, or any holdover rents or use and occupancy fees from any Tenant or former Tenant (to the extent not being paid for use and occupancy or holdover rent); and

(ii) Any other extraordinary event pursuant to which Borrowers receive payments or income (in whatever form) derived from or generated by the use, ownership or operation of the Properties not otherwise covered by this Agreement or the Cash Management Agreement.

6.6.2 Release of Rollover Funds. Provided no Event of Default is continuing, Lender shall direct Servicer to disburse Rollover Funds to Borrowers out of the Rollover Account, within ten (10) days after the delivery by Borrowers to Lender of a request therefor (but not more often than once per month), in increments of at least $10,000 (or a lesser amount if the total amount in the Rollover Funds is less than $10,000, in which case only one disbursement of the amount remaining in the account shall be made) provided that: (i) such disbursement is for an Approved

Leasing Expense; (ii) the request for disbursement is accompanied by (A) an Officer's Certificate from Borrowers (1) stating that the items to be funded by the requested disbursement are Approved Leasing Expenses, and a description thereof, (2) stating that any tenant improvements at the applicable Property to be funded by the requested disbursement (or the relevant portion thereof as to which such request for funds relates) have been completed in a good and workmanlike manner and in accordance with all applicable Legal Requirements, (3) identifying each Person that supplied materials or labor in connection with the Approved Leasing Expenses to be funded by the requested disbursement, (4) stating that each such Person has been paid in full or will be paid in full upon such disbursement, or if such payment is a progress payment, that such payment represents full payment to such Person, less any applicable retention amount, for work completed through the date of the relevant invoice from such Person, (5) stating that the Approved Leasing Expenses (or the relevant portions thereof) to be funded from the disbursement in question have not been the subject of a previous disbursement, (6) stating that all previous disbursements of Rollover Funds have been used to pay the previously identified Approved Leasing Expenses, and (7) stating that all outstanding trade payables (other than those to be paid from the requested disbursement or those constituting Permitted Indebtedness) have been paid in full, (B) a copy of any license, permit or other approval by any Governmental Authority required in connection with the tenant improvements and not previously delivered to Lender, (C) copies of appropriate lien waivers, conditional lien waivers or other evidence of payment reasonably satisfactory to Lender, (D) at Lender's option, a title search for the applicable Property indicating that such Property is free from all Liens, claims and other encumbrances not previously approved by Lender, (E) if requested by Lender, with respect to disbursements from the Rollover Account for tenant improvement costs, a current Tenant estoppel certificate in form and substance acceptable to Lender, and (F) such other evidence as Lender shall reasonably request to demonstrate that the Approved Leasing Expenses to be funded by the requested disbursement have been completed and are paid for or will be paid upon such disbursement to Borrowers (or the portion thereof as to which such request for disbursement has been submitted has been completed and is paid for (other than any retention amount which is not a part of such disbursement request) or will be paid upon such disbursement to Borrowers).

6.6.3 **Suspension of Rollover Escrow Requirements**. Provided (x) no Trigger Period has occurred and is continuing and (y) each of the 7-Eleven Lease, the Pratt & Whitney Lease and the Starbucks Lease remains in full force and effect and no default is continuing thereunder beyond applicable notice, cure and grace periods (the conditions set forth in the foregoing clauses (x) and (y) are collectively referred to herein as the "***Rollover Suspension Conditions***"), for so long as the Rollover Suspension Conditions are satisfied, Borrowers' obligation underSection 6.6.1 to make the Monthly Rollover Deposits shall be suspended. If at any time (i) the Rollover Suspension Conditions are not satisfied or (ii) Borrower fails to provide evidence satisfactory to Lender that Borrowers' obligations with respect to tenant improvements and leasing commissions under this Agreement are satisfied, then Borrowers' obligation under Section 6.6.1 to make the Monthly Rollover Deposits shall be reinstated, and within ten (10) days after prior written notice from Lender, Borrowers shall deposit into the Rollover Account additional funds that Lender deems reasonably necessary, when added to such monthly deposits, in order to accumulate sufficient funds to pay all tenant improvements and leasing commissions (provided, however, to the extent such obligation was reinstated as a result of the failure to satisfy the conditions set forth in clause (y) of the Rollover Suspension Conditions, Borrower shall only be required to deposit additional funds sufficient to pay all tenant improvements and leasing commissions with respect to each Property at which such failure occurs). If Borrowers shall be required to resume making the

payments required under Section 6.6.1, such obligation shall continue (A) if such obligation was reinstated as a result of such events described in clause (i) of this Section 6.6.3, until Lender has received evidence acceptable in its sole discretion that the Rollover Suspension Conditions are satisfied and (ii) if such obligation was reinstated as a result of such events described in clause (ii) of this Section 6.6.3, until Lender has received evidence acceptable in its sole discretion that such conditions have been rectified, and upon such event, provided no Event of Default is continuing, any funds on deposit in the Rollover Account shall be released to Borrower.

Section 6.7 Intentionally Omitted.

Section 6.8 Intentionally Omitted.

Section 6.9 Common Charges Account. Borrowers shall deposit with or on behalf of Lender, (i) on the Closing Date, an amount equal to $4,336.08, and (ii) on each Monthly Payment Date during the continuance of a Trigger Period, an amount equal to one-twelfth of the an amount set forth in the Approved Annual Budget for Common Charges (or otherwise payable on any other day in the month in which such Monthly Payment Date occurs) (plus any other amounts that may be due for such Common Charges which are not included in the Approved Annual Budget), which amounts shall be transferred into an Account (the "***Common Charges Account***"). Amounts deposited from time to time in the Common Charges Account pursuant to this Section 6.9.1 are referred to herein as the "***Common Charges Funds***". Provided that no Event of Default has occurred and is continuing, during the continuance of a Trigger Period, Lender will (a) remit funds in the Common Charges Account to an account designated by the Board of Directors or Condo Association for payment of Common Charges or (b) reimburse Borrowers for such amounts upon presentation of evidence of payment. In making any payment relating to Common Charges, Lender may do so according to any bill, statement or estimate procured from the Board of Directors or Condo Association without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof. Lender may increase the amount required to be maintained on deposit in the Common Charges Account to the amount Lender reasonably deems necessary to reflect any increases in the Common Charges due under the Condominium Documents. During the continuance of an Event of Default, the Common Charges Funds on deposit in the Common Charges Account may be used by Lender, at Lender's sole and absolute election and discretion, for the payment of Common Charges or other operating expenses for the Property.
Section 6.10 Lease Sweep Funds

Section 6.10 Lease Sweep Funds.

6.10.1 Deposits of Lease Sweep Funds.

(a) On each Monthly Payment Date during a Lease Sweep Period, all Available Cash shall be paid to Lender, which amounts shall be transferred by Lender into an Account (the "***Lease Sweep Account***"). Amounts deposited from time to time into the Lease Sweep Account shall collectively be referred to herein as the "***Lease Sweep Funds***".

(b) In addition to the deposits set forth in clause (a) above, all Lease Sweep Lease Termination Payments shall be deposited into the Lease Sweep Account and held as Lease Sweep Funds and shall be disbursed and released as set forth in Section 6.10.2 below, and

Borrowers shall advise Lender at the time of receipt thereof of the nature of such receipt so that Lender shall have sufficient time to instruct the Deposit Bank to deposit and hold such amounts in the Lease Sweep Account pursuant to the Cash Management Agreement.

(c) In the event that Lease Sweep Funds are being swept (or are applicable to) more than one Lease Sweep Lease, such Lease Sweep Funds shall be reasonably allocated by Lender as between or among such related Lease Sweep Space (provided that any Lease Sweep Lease Termination Payments received with respect to a Lease Sweep Lease shall be allocated by Lender to such related Lease Sweep Space).

6.10.2 Release of Lease Sweep Funds.

(a) Provided no Event of Default is continuing, Lender shall direct Servicer to disburse Lease Sweep Funds to Borrowers out of the Lease Sweep Account, within ten (10) days after the delivery by Borrowers to Lender of a request therefor (but not more often than once per month), in increments of at least $10,000 provided that: (i) such disbursement is for an Approved Lease Sweep Space Leasing Expenses for the Lease Sweep Space applicable to such Lease Sweep Funds; (ii) the request for disbursement is accompanied by (A) an Officer's Certificate from Borrowers (1) stating that the items to be funded by the requested disbursement are Approved Lease Sweep Space Leasing Expenses, and a description thereof, (2) stating that any tenant improvements at the Property to be funded by the requested disbursement (or the relevant portion thereof as to which such request for funds relates) have been completed in a good and workmanlike manner and in accordance with all applicable Legal Requirements, (3) stating that the Approved Lease Sweep Space Leasing Expenses (or the relevant portions thereof) to be funded from the disbursement in question have not been the subject of a previous disbursement, (4) stating that all previous disbursements of Lease Sweep Funds have been used to pay the previously identified Approved Lease Sweep Space Leasing Expenses, and (5) stating that all outstanding trade payables (other than those to be paid from the requested disbursement or those constituting Permitted Indebtedness) have been paid in full, (B) a copy of any license, permit or other approval by any Governmental Authority required in connection with the tenant improvements and not previously delivered to Lender, (C) copies of appropriate lien waivers, conditional lien waivers or other evidence of payment reasonably satisfactory to Lender, (D) at Lender's option, a title search for the applicable Property indicating that the applicable Property is free from all Liens, claims and other encumbrances not previously approved by Lender, (E) if requested by Lender, with respect to disbursements from the Lease Sweep Account for tenant improvement costs, a current Tenant estoppel certificate in form and substance acceptable to Lender, and (F) such other evidence as Lender shall reasonably request to demonstrate that the Approved Lease Sweep Space Leasing Expenses to be funded by the requested disbursement have been completed and are paid for or will be paid upon such disbursement to Borrowers (or the portion thereof as to which such request for disbursement has been submitted has been completed and is paid for (other than any retention amount which is not a part of such disbursement request) or will be paid upon such disbursement to Borrowers).

(b) Provided no Event of Default is continuing, funds on deposit in the Lease Sweep Account with respect to a Lease Sweep Space not previously disbursed or applied shall be

disbursed (x) provided no Trigger Period is continuing, to Borrowers or (y) if a Trigger Period is continuing, on the next occurring Monthly Payment Date in accordance Section 6.13.1; in each case, as follows:

(i) if the Lease Sweep Period for such Lease Sweep Space ceased as described by clause (ii)(A), (B) or (C) of the definition of "Lease Sweep Period", any such remaining Lease Sweep Funds applicable to the Lease Sweep Space in question will be disbursed once all Occupancy Conditions are satisfied with respect to such Lease Sweep Space, less (x) any Unpaid TILC Obligations Amount, as reasonably determined by Lender, which amount will be retained in the Lease Sweep Account and will be periodically disbursed for Approved Lease Sweep Space Leasing Expenses in accordance with Section 6.10.2(a) and/or (y) any Remaining Rent Abatement Amount, as reasonably determined by Lender, which amount will be retained in the Lease Sweep Account and will be disbursed on each Monthly Payment Date in amounts sufficient to replicate full contractual rents under each applicable Lease in accordance with a schedule to be delivered to, and reasonably approved by, Lender; or

(ii) if the Lease Sweep Period for such Lease Sweep Space ceased as described by clause (ii)(D) or (E) of the definition of "Lease Sweep Period", all remaining Lease Sweep Funds applicable to the Lease Sweep Space in question will be disbursed once the applicable conditions described in clause (ii)(D) or (E) of the definition of "Lease Sweep Period" have been met.

Section 6.11 Casualty and Condemnation Account. Borrowers shall pay, or cause to be paid, to Lender all Insurance Proceeds or Awards due to any Casualty or Condemnation in accordance with the provisions of Sections 5.2 and 5.3, which amounts shall be transferred into an Account (the "***Casualty and Condemnation Account***"). Amounts deposited from time to time into the Casualty and Condemnation Account pursuant to this Section 6.11 are referred to herein as the "***Casualty and Condemnation Funds***". All Casualty and Condemnation Funds shall be held, disbursed and/or applied in accordance with the provisions of Section 5.4 hereof.

Section 6.12 Cash Collateral Funds. If a Trigger Period shall be continuing (other than (i) a Trigger Period continuing solely because of the continuance of a Mezzanine Trigger Period or (ii) a Trigger Period continuing because of the continuance of a Lease Sweep Period), all Available Cash shall be paid to Lender, which amounts shall be transferred by Lender into an Account (the "***Cash Collateral Account***") to be held by Lender as cash collateral for the Debt. Amounts on deposit from time to time in the Cash Collateral Account pursuant to this Section 6.12 are referred to as the "***Cash Collateral Funds***". Any Cash Collateral Funds on deposit in the Cash Collateral Account not previously disbursed or applied shall, upon the termination of such Trigger Period, be disbursed to Borrower. Notwithstanding the foregoing, Lender shall have the right, but not the obligation, at any time during the continuance of an Event of Default, in its sole and absolute discretion to apply any and all Cash Collateral Funds then on deposit in the Cash Collateral Account to the Debt or Obligations, in such order and in such manner as Lender shall elect in its sole and absolute discretion, including to make a prepayment of principal (together with the applicable Prepayment Fee and/or Liquidated Damages Amount, if any, applicable thereto) or any other amounts due hereunder.

Section 6.13 Property Cash Flow Allocation.

6.13.1 Order of Priority of Funds in Deposit Account. On each Monthly Payment Date during the continuance of a Trigger Period, except during the continuance of an Event of Default, all funds deposited into the Deposit Account during the immediately preceding Interest Period shall be applied on such Monthly Payment Date in the following order of priority:

(i) First, to the Tax Account, to make the required payments of Tax Funds as required under Section 6.3;

(ii) Second, to the Insurance Account, to make any required payments of Insurance Funds as required under Section 6.4;

(iii) Third, to the Common Charges Account, to make any required payments of Common Charges Funds as required under Section 6.9 hereof;

(iv) Fourth, to Lender, funds sufficient to pay the Monthly Interest Payment Amount or Monthly Debt Service Payment Amount (as applicable), applied first to the payment of interest computed at the Interest Rate (plus, if applicable, interest at the Default Rate) with the remainder (from and after the Amortization Commencement Date) applied to the reduction of the Outstanding Principal Balance;

(v) Fifth, to the Capital Expenditure Account, to make the required payments of Capital Expenditure Funds as required under Section 6.5;

(vi) Sixth, to the Rollover Account, to make the required payments of Rollover Funds as required under Section 6.6; and

(vii) Seventh, to Lender, of any other amounts then due and payable under the Loan Documents;

(viii) Eighth, to Borrowers, funds in an amount equal to the Monthly Operating Expense Budgeted Amount;

(ix) Ninth, to Borrowers, payments for Approved Extraordinary Operating Expenses, if any;

(x) Tenth, if a New Mezzanine Loan (or any portion thereof) is outstanding and a Trigger Period is continuing (other than a Trigger Period continuing solely because a Mezzanine Trigger Period is continuing), to make payments in the amount of the monthly debt service payment payable under the terms of the New Mezzanine Loan, to the lender under the New Mezzanine Loan; and

(xi) Lastly, all amounts remaining after payment of the amounts set forth in clauses (i) through (x) above (the "***Available Cash***"):

(A) during a Trigger Period continuing due to a Lease Sweep Period (regardless of whether any other Trigger Period is continuing), to the Lease Sweep Account to be held and disbursed in accordance with Section 6.10; or

(B) provided no Lease Sweep Period is continuing, to the Cash Collateral Account to be held or disbursed in accordance with Section 6.12; or

(C) during a Trigger Period continuing solely because a Mezzanine Trigger Period is continuing, to the lender under the New Mezzanine Loan, to be applied in accordance with the instruments and documents evidencing or securing the New Mezzanine Loan, to pay any amount due to lender under the New Mezzanine Loan, before any remainder is disbursed to the applicable New Mezzanine Loan Borrower.

6.13.2 Failure to Make Payments. The failure of Borrowers to make all of the payments required underclauses (i) through (vii) of Section 6.13.1 in full on each Monthly Payment Date shall constitute an Event of Default under this Agreement; provided, however, if adequate funds are available in the Deposit Account for such payments, and Borrowers are not otherwise in Default hereunder, the failure by the Deposit Bank to allocate such funds into the appropriate Accounts shall not constitute an Event of Default.

6.13.3 Application After Event of Default. Notwithstanding anything to the contrary contained in this Article 6, upon the occurrence of an Event of Default, Lender, at its option, may apply any Gross Revenue then in the possession of Lender, Servicer or Deposit Bank (including any Reserve Funds on deposit in any Cash Management Account) to the payment of the Debt in such order, proportion and priority as Lender may determine in its sole and absolute discretion. Lender's right to withdraw and apply any of the foregoing funds shall be in addition to all other rights and remedies provided to Lender under the Loan Documents.

Section 6.14 Security Interest in Reserve Funds. As security for payment of the Debt and the performance by Borrowers of all other terms, conditions and provisions of the Loan Documents, each Borrower hereby pledges and assigns to Lender, and grants to Lender a security interest in, all such Borrower's right, title and interest in and to all Gross Revenue and in and to all payments to or monies held in the Clearing Account, the Deposit Account and Accounts created pursuant to this Agreement (collectively, the "***Cash Management Accounts***"). Each Borrower hereby grants to Lender a continuing security interest in, and agrees to hold in trust for the benefit of Lender, all Rents in its possession prior to the (i) payment of such Gross Revenue to Lender or (ii) deposit of such Gross Revenue into the Deposit Account. No Borrower shall, without obtaining the prior written consent of Lender, further pledge, assign or grant any security interest in any Cash Management Account, or permit any Lien to attach thereto, or any levy to be made thereon, or any UCC Financing Statements, except those naming Lender as the secured party, to be filed with respect thereto. This Agreement is, among other things, intended by the parties to be a security agreement for purposes of the UCC. Upon the occurrence and during the continuance of an Event of Default, Lender may apply any sums in any Cash Management Account in any order and in any manner as Lender shall elect in Lender's discretion without seeking the appointment of a receiver and without adversely affecting the rights of Lender to foreclose the Liens of the Mortgages or exercise its other rights under the Loan Documents. Cash Management Accounts shall not constitute trust funds and may be commingled with other monies held by Lender. All interest which accrues on the funds in any Account shall accrue for the benefit of Lender and shall be taxable to Borrowers. Upon repayment in full of the Debt, all remaining funds in the Accounts, if any, shall be promptly disbursed to Borrowers.

ARTICLE 7

PERMITTED TRANSFERS

Section 7.1 Permitted Transfer of the Entire Property.

(a) Notwithstanding the provisions of Section 4.2, Borrowers shall have, following a Securitization of the Loan, the right to convey the Properties to a new borrower (the "***Transferee Borrower***") and have Transferee Borrower assume all of Borrowers' obligations under the Loan Documents, and have replacement guarantors and indemnitors replace the guarantors and indemnitors with respect to all of the obligations of the indemnitors and guarantors of the Loan Documents from and after the date of such transfer (collectively, a "***Transfer and Assumption***"), subject to the terms and full satisfaction of all of the conditions precedent set forth in Section 7.1(b).

(b) Transfer and Assumption shall be subject to the following conditions:

(i) Borrowers has provided Lender with not less than sixty (60) days prior written notice (it being understood that the consummation of the Transfer and Assumption is subject to Lender's approval of all of the conditions set forth in this Section 7.1(b)), which notice shall contain sufficient detail to enable Lender to determine that the Transferee Borrower complies with the requirements set forth herein;

(ii) no Event of Default has occurred and is continuing;

(iii) Transferee Borrower shall be a newly formed Delaware single member limited liability company that is a Special Purpose Bankruptcy Remote Entity in accordance with Section 4.4 and **Schedule V**;

(iv) Transferee Borrower shall be Controlled by a Person who (x) is a Qualified Transferee with a minimum ownership interest in the Transferee Borrower reasonably acceptable to Lender and (y) whose identity, experience, financial condition and creditworthiness, including net worth and liquidity, is acceptable to Lender in Lender's sole and absolute discretion;

(v) the Properties shall be managed by an Unaffiliated Qualified Manager or by a property manager reasonably acceptable to Lender;

(vi) Transferee Borrower shall have executed and delivered to Lender an assumption agreement in form and substance acceptable to Lender;

(vii) Transferee Borrower shall have proposed one or more replacement guarantors and indemnitor and Lender shall have determined that such proposed guarantors and indemnitors as Approved Replacement Guarantor (and each such proposed replacement guarantor that is an Approved Replacement Guaranty shall hereafter be referred to as a "***Transferee Guarantor***");

(viii) each Transferee Guarantor shall deliver to Lender a guaranty of recourse obligations (in the same form as the guaranty of recourse obligations delivered to Lender by Guarantors on the date hereof) and an environmental indemnity agreement (in the same form as the environmental indemnity agreement delivered to Lender by Guarantors on the date hereof), pursuant to which, in each case, the Transferee Guarantor(s) agree(s) to be liable under each such guaranty of recourse obligations and environmental indemnity agreement from and after the date of such Transfer and Assumption (whereupon the previous guarantor shall be released from any further liability under the guaranty of recourse obligations for acts that arise from and after the date of such Transfer and Assumption and such Transferee Guarantor(s) shall be the "Guarantor" for all purposes set forth in this Agreement);

(ix) Transferee Borrower shall submit to Lender true, correct and complete copies of all documents reasonably requested by Lender concerning the organization and existence of Transferee Borrower, Transferee Owner and each Transferee Guarantor;

(x) each Person that will have Control of, or a ten percent (10%) or greater direct or indirect interest in, Transferee Borrower or any Person that Controls Transferee Borrower upon such Transfer and Assumption, shall be a Qualified Transferee;

(xi) Lender shall have received a Rating Agency Confirmation from each of the applicable Rating Agencies (if required pursuant to a Pooling and Servicing Agreement entered into in connection with the Securitization of the Loan);

(xii) counsel to Transferee Borrower and each Transferee Guarantor(s) shall deliver to Lender opinions in form and substance reasonably satisfactory to Lender as to such matters as Lender shall require, which may include opinions as to substantially the same matters and were required in connection with the origination of the Loan (including a new substantive non-consolidation opinion);

(xiii) Borrowers shall cause to be delivered to Lender, an endorsement (relating to the change in the identity of the vestee and execution and delivery of the Transfer and Assumption documents) to each Title Insurance Policy in form and substance acceptable to Lender, in Lender's reasonable discretion;

(xiv) Transferee Borrower and/or Borrowers, as the case may be, shall deliver to Lender, upon such conveyance, a transfer fee equal to 1.00% of the Outstanding Principal Balance;

(xv) if a New Mezzanine Loan is outstanding at the time of the Transfer and Assumption, the proposed Transfer and Assumption shall not constitute or cause a default under the New Mezzanine Loan;

(xvi) Borrowers shall pay all of Lender's reasonable out-of-pocket costs and expenses in connection with the Transfer and Assumption. Lender may, as a condition to evaluating any requested consent to a transfer, require that Borrowers post a cash deposit with Lender in an amount equal to Lender's anticipated costs and expenses in evaluating any such request for consent; and

(xvii) Borrowers shall have otherwise received Lender's written consent to such Transfer and Assumption (which consent shall not be unreasonably withheld so long as all of the other conditions set forth in this Section 7.1(b) are satisfied, including receipt of a Rating Agency Confirmation from each of the applicable Rating Agencies (if required pursuant to a Pooling and Servicing Agreement entered into in connection with the Securitization of the Loan)).

Notwithstanding anything to the contrary contained in this Section 7.1, no Transfer shall be a Permitted Transfer unless such Transfer is made in compliance with the Condominium Documents.

Section 7.2 Permitted Transfers. Notwithstanding anything to the contrary contained in Section 4.2, the following Transfers (herein, the "***Permitted Transfers***") shall be permitted hereunder:

(a) a Lease entered into in accordance with the Loan Documents;

(b) a Transfer and Assumption in accordance with Section 7.1;

(c) a Permitted Encumbrance;

(d) a Property sale pursuant to Section 2.5.2;

(e) the transfer of publicly traded shares on a nationally or internationally recognized stock exchange in any indirect equity owner of Borrower;

(f) provided no Event of Default shall then exist, a Transfer of any direct or indirect interest in any Borrower (other than a Transfer of any SPC Party's interest in such Borrower) related to or in connection with the estate planning of such transferor to (1) an immediate family member of such interest holder (or to partnerships or limited liability companies Controlled solely by one or more of such family members) or (2) a trust established for the benefit of such immediate family member, provided that:

(i) Borrowers shall provide to Lender thirty (30) days prior written notice thereof;

(ii) such Transfer shall not otherwise result in a change of Control of Borrower or change of the day to day management and operations of the Properties;

(iii) Each Borrower and each SPC Party shall continue to be a Special Purpose Bankruptcy Remote Entity and each Borrower shall continue to be a Delaware single member limited liability company;

(iv) if such Transfer would cause the transferee, together with its Affiliates, to increase its direct or indirect interest in any Borrower or any Person that Controls any Borrower to an amount which equals or exceeds ten percent (10%), such transferee shall be a Qualified Transferee;

(v) the Properties shall continue to be managed by a Qualified Manager or by a property manager reasonably acceptable to Lender and acceptable to the applicable Rating Agencies;

(g) a Transfer of any direct or indirect interest in any Borrower (other than a Transfer of any SPC Party's interest in such Borrower) that occurs by devise or bequest or by operation of law upon the death of a natural person that was the holder of such interest, provided that:

(i) Borrowers shall give Lender notice of such Transfer together with copies of all instruments effecting such Transfer not less than thirty (30) days after the date of such Transfer;

(ii) Each Borrower and each SPC Party shall continue to be a Special Purpose Bankruptcy Remote Entity and each Borrower shall continue to be a Delaware single member limited liability company;

(iii) the Properties shall continue to be managed by a Qualified Manager or by a property manager reasonably acceptable to Lender and acceptable to the applicable Rating Agencies;

(iv) if such Transfer would cause the transferee, together with its Affiliates, to Control any Borrower or to increase its direct or indirect interest in any Borrower or any Person that Controls any Borrower to an amount which equals or exceeds ten percent (10%), such transferee shall be a Qualified Transferee;

(v) if such Transfer results in a change of Control of any Borrower to a Person other than (A) a Key Principal (directly or indirectly) or (B) the estate of any Key Principal (during the pendency of the settlement by the estate of any Key Principal and if such Transfer occurs as a result of the death of any Key Principal) (the "***Key Principal Estate***"); (x) if such Transfer occurs prior to the occurrence of a Securitization, suchTransfer is approved by Lender in writing within 30 days after any such Transfer, which approval shall not be unreasonably withheld or (y) from and after a Securitization, then Borrower shall deliver a Rating Agency Confirmation from each applicable Rating Agency within sixty (60) days after any such Transfer (or such longer time as may reasonably be necessary for Borrowers to obtain the Rating Agency Confirmations, provided Borrowers are diligently pursuing same); and/or

(h) provided that no Event of Default shall then exist, a Transfer of a direct or indirect interest in any Borrower (other than a Transfer of any SPC Party's interest in such Borrower) shall be permitted without Lender's consent provided that:

(i) such Transfer shall not (x) cause the transferee (other than Key Principal), together with its Affiliates, to increase its direct or indirect interest in any Borrower to an amount which equals or exceeds forty-nine percent (49%) or (y) result in a change in Control of any Borrower or any SPC Party;

(ii) Each Borrower and any SPC Party shall continue to be a Special Purpose Bankruptcy Remote Entity and each Borrower shall continue to be a Delaware single member limited liability company;

(iii) if such Transfer would cause the transferee, together with its Affiliates, to increase its direct or indirect interest in any Borrower or any Person that Controls any Borrower to an amount which equals or exceeds ten percent (10%), (x) such transferee is a Qualified Transferee and (y) Borrowers shall provide to Lender thirty (30) days prior written notice thereof;

(iv) after giving effect to such Transfer, Key Principal shall continue to control the day to day operations of Borrowers and each such SPC Party and shall continue to own at least twenty-four and 906/1,000 percent (24.906%) of all equity interests (direct or indirect) of Borrowers; and

(v) the Properties shall continue to be managed by a Qualified Manager or by a property manager reasonably acceptable to Lender and acceptable to the applicable Rating Agencies.

For purposes of clause (f) above, "immediate family member" shall mean a sibling, family trust, parent, spouse, child (or step-child), grandchild or other lineal descendant of the interest holder.

Notwithstanding anything to the contrary contained in this Section 7.2, if, as a result of any Permitted Transfer, Guarantor no longer Controls Borrowers and owns any direct or indirect interest in any Borrower (or if there were two or more Guarantors immediately prior to such Permitted Transfer, no Guarantor any longer Controls Borrower or any such Guarantor no longer has a direct or indirect interest in Borrowers), it shall also be a condition hereunder that one or more Approved Replacement Guarantors shall execute and deliver a guaranty of recourse obligations (in the same form as the guaranty of recourse obligations delivered to Lender by Guarantors on the date hereof) and an environmental indemnity agreement (in the same form as the environmental indemnity agreement delivered to Lender by Guarantors on the date hereof) on or prior to the date of such Permitted Transfer (or, in the case of a Permitted Transfer described in clause (g), within thirty (30) days after the date of such Permitted Transfer), pursuant to which, in each case, the Approved Replacement Guarantor(s) agree(s) to be liable under each such guaranty of recourse obligations and environmental indemnity agreement from and after the date of such Permitted Transfer (whereupon the previous guarantor shall be released from any further liability under the guaranty of recourse obligations from acts that arise from and after the date of such Permitted Transfer and such Approved Replacement Guarantor(s) shall be the "Guarantor" for all purposes set forth in this Agreement).

Notwithstanding anything to the contrary contained in this Section 7.2, no Transfer shall be a Permitted Transfer unless such Transfer is made in compliance with the Condominium Documents

Section 7.3 Cost and Expenses; Searches; Copies.

(a) Borrowers shall pay all out-of-pocket costs and expenses of Lender in connection with any Transfer, whether or not such Transfer is deemed to be a Permitted Transfer, including, without limitation, all fees and expenses of Lender's counsel, whether internal or outside, and the reasonable cost of any required counsel opinions related to REMIC or other securitization or tax issues and any Rating Agency fees.

(b) Borrowers shall provide Lender with copies of all organizational documents relating to any Permitted Transfer.

(c) In connection with any Permitted Transfer, to the extent a transferee shall own ten percent (10%) or more of the direct or indirect ownership interests in Borrowers or any Person that Controls Borrowers immediately following such transfer (provided such transferee owned less than ten percent (10%) of the direct or indirect ownership interests in Borrower as of the Closing Date), Borrowers shall deliver (and Borrowers shall be responsible for any reasonable out of pocket costs and expenses in connection therewith), customary searches reasonably requested by Lender in writing (including credit, judgment, lien, litigation, bankruptcy, criminal and watch list) reasonably acceptable to Lender with respect to such transferee.

ARTICLE 8

DEFAULTS

Section 8.1 **Events of Default**. Each of the following events shall constitute an event of default hereunder (an "***Event of Default***"):

(i) if (A) the Obligations are not paid in full on the Maturity Date, (B) any regularly scheduled monthly payment of interest, and, if applicable, principal due under the Note is not paid in full on the applicable Monthly Payment Date, (C) any prepayment of principal due under this Agreement or the Note is not paid when due, (D) the Prepayment Fee is not paid when due, (E) the Liquidated Damages Amount is not paid when due, or (F) any deposit to the Reserve Funds is not made on the required deposit date therefor;

(ii) if any other amount payable pursuant to this Agreement, the Note or any other Loan Document (other than as set forth in the foregoing clause (i)) is not paid in full when due and payable in accordance with the provisions of the applicable Loan Document, with such failure continuing for ten (10) Business Days after Lender delivers written notice thereof to Borrowers;

(iii) if any of the Taxes or Other Charges are not paid when due (provided that it shall not be an Event of Default if such past due Taxes are Real Estate Taxes and there are sufficient funds in the Tax Account to pay such amounts when due, no other Event of Default is then continuing and Servicer fails to make such payment in violation of this Agreement);

(iv) if the Policies are not (A) delivered to Lender within five (5) Business Days of Lender's written request and (B) kept in full force and effect, each in accordance with the terms and conditions hereof;

(v) a Transfer other than a Permitted Transfer occurs without Lender's consent (a "***Prohibited Transfer***"); provided, however, that, with respect to any such Prohibited Transfer which does not constitute a Transfer of any Property, a Transfer of a

49% or greater direct and/or indirect interest in any Borrower and/or any direct or indirect Controlling interest in a Borrower, then such Prohibited Transfer shall not be deemed to be an Event of Default hereunder if (1) no other Event of Default is then ongoing, (2) such Prohibited Transfer was immaterial and inadvertent and is susceptible to cure, (3) such Prohibited Transfer would not reasonably be anticipated to (and does not actually) cause a material adverse effect on the condition (financial or otherwise) or business of any Borrower (including the ability of such Borrower to carry out the transactions contemplated by this Agreement), SPC Party, any Guarantor, Manager or the condition or ownership of any Property and (4) within thirty (30) days of the occurrence thereof, Borrowers cure such breach or violation in a manner reasonably acceptable to the Lender;

(vi) if any certification, representation or warranty made by any Borrower or any Guarantor herein or in any other Loan Document, or in any report, certificate, financial statement or other instrument, agreement or document furnished to Lender shall have been false or misleading in any material respect as of the date such representation or warranty was made;

(vii) if any Borrower, any SPC Party or any Guarantor shall make an assignment for the benefit of creditors;

(viii) if a receiver, liquidator or trustee shall be appointed for any Borrower, any SPC Party or any Guarantor or if any Borrower, any SPC Party or any Guarantor shall be adjudicated a bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal or state law, shall be filed by or against, consented to, or acquiesced in by, any Borrower, any SPC Party or any Guarantor, or if any proceeding for the dissolution or liquidation of any Borrower, any SPC Party or any Guarantor shall be instituted, or if any Borrower is substantively consolidated with any other Person; provided, however, if such appointment, adjudication, petition, proceeding or consolidation was involuntary and not consented to by such Borrower, such SPC Party or such Guarantor, upon the same not being discharged, stayed or dismissed within forty-five (45) days following its filing;

(ix) if any Borrower attempts to assign its rights under this Agreement or any of the other Loan Documents or any interest herein or therein in contravention of the Loan Documents;

(x) if any of the assumptions contained in any non-consolidation opinion delivered to Lender in connection with the Loan, or in any other non-consolidation opinion delivered subsequent to the closing of the Loan, is or shall become untrue in any material respect;

(xi) a breach of the covenants set forth in Sections 4.4, 4.23 or 4.31 hereof;

(xii) if any Borrower shall be in default under any mortgage or security agreement covering any part of any Property whether it be superior, *pari passu* or junior in Lien to such Mortgage beyond any applicable cure periods contained therein;

(xiii) subject to Borrowers' right to contest set forth in Section 4.3 of this Agreement, if any Property becomes subject to any mechanic's, materialman's or other Lien except a Permitted Encumbrance or a Lien for Taxes not then due and payable;

(xiv) the alteration, improvement, demolition or removal of any of the Improvements without the prior consent of Lender, other than in accordance with this Agreement and the Leases at the Properties entered into in accordance with the Loan Documents;

(xv) if, without Lender's prior written consent, (i) a Management Agreement is terminated, (ii) the ownership, management, or control of Manager is transferred, (iii) there is a material change in a Management Agreement, or (iv) if there shall be a material default by any Borrower under any Management Agreement beyond any applicable notice or grace period;

(xvi) if any Borrower or any Person owning a direct or indirect ownership interest in any Borrower shall be convicted of a Patriot Act Offense by a court of competent jurisdiction;

(xvii) a breach of any representation, warranty or covenant contained Section 3.1.18 hereof;

(xviii) if any Borrower breaches any covenant contained Section 4.9 hereof;

(xix) if Borrowers shall fail to pay any charges, fees, assessments or other amounts, including without limitation, the Common Charges, after the expiration of any applicable notice and cure periods set forth in the Condominium Documents (provided, however, if adequate funds are available in the Common Charges Account for such payment, the failure by Lender to allocate such funds to such payments shall not constitute an Event of Default), imposed upon any Borrower under the Condominium Documents or by the Board of Directors or Condo Association, or any of the Condominium Documents shall be modified, changed, altered, amended, terminated or supplemented without Lender's consent except as expressly permitted by this Agreement;

(xx) if there shall be a default under any of the other Loan Documents beyond any applicable cure periods contained in such Loan Documents, whether as to Borrowers, Guarantors or the Properties, or if any other such event shall occur or condition shall exist, if the effect of such event or condition is to accelerate the maturity of any portion of the Obligations or to permit Lender to accelerate the maturity of all or any portion of the Obligations;

(xxi) Guarantors breach any of the Guarantor Financial Covenants and Borrowers fail to cause a Person that (i) has sufficient net worth and liquidity to cause the combined net worth and liquidity of Guarantors and such Person to meet or exceed the Guarantor Financial Covenants and (ii) otherwise satisfies the conditions set forth in the definition of Approved Replacement Guarantor, to execute within thirty (30) days after the occurrence of such breach a joinder to the Guaranty and Environmental Indemnity providing that Guarantors and such Person shall be jointly and severally liable for all

Guaranteed Obligations (as defined in the Guaranty) then existing or thereafter arising under the Guaranty and Environmental Indemnity. Upon the execution of such joinder (x) the term "Guarantor" shall refer to the Guarantors and such Person, collectively, for all purposes set forth in the Loan Documents and (y) the Guarantor Financial Covenants shall apply collectively to Guarantors and such Person;

(xxii) if Borrowers fail to establish a new Clearing Account and enter into a new clearing account agreement in accordance with Section 6.1 hereof on or prior to the termination of any existing Clearing Account Agreement;

(xxiii) if any of the terms, covenants or conditions of any Lease Sweep Lease shall in any manner be modified, changed, supplemented, altered or amended or if any Lease Sweep Lease shall be terminated or surrendered, in any case without the consent of Lender except as otherwise permitted by this Agreement; or

(xxiv) if Borrowers or Guarantors shall continue to be in Default under any of the other terms, covenants or conditions of this Agreement or any other Loan Document not specified in subsections (i) to (xxiii) above, and such Default shall continue for ten (10) days after notice to Borrowers from Lender, in the case of any such Default which can be cured by the payment of a sum of money, or for thirty (30) days after notice to Borrowers from Lender in the case of any other such Default; provided, however, that if such non-monetary Default is susceptible of cure but cannot reasonably be cured within such 30-day period, and provided further that Borrowers and/or Guarantors shall have commenced to cure such Default within such 30-day period shall and thereafter diligently and expeditiously proceed to cure the same, such 30-day period shall be extended for such time as is reasonably necessary for Borrowers and/or Guarantors in the exercise of due diligence to cure such Default, such additional period not to exceed sixty (60) days.

Section 8.2 Remedies.

8.2.1 Acceleration. Upon the occurrence of an Event of Default (other than an Event of Default described in clauses (vii), (viii) or (ix) of Section 8.1 above) and at any time thereafter, Lender may, in addition to any other rights or remedies available to it pursuant to this Agreement and the other Loan Documents or at law or in equity, take such action, without notice or demand (and Borrowers hereby expressly waive any such notice or demand), that Lender deems advisable to protect and enforce its rights against any or all Borrowers and in and to the Properties, including declaring the Obligations to be immediately due and payable, and Lender may enforce or avail itself of any or all rights or remedies provided in the Loan Documents against Borrowers and the Properties, including all rights or remedies available at law or in equity; and upon any Event of Default described in clauses (vii), (viii) or (ix) of Section 8.1 above, the Obligations of Borrowers hereunder and under the other Loan Documents shall immediately and automatically become due and payable in full, without notice or demand, and Borrowers hereby expressly waive any such notice or demand, anything contained herein or in any other Loan Document to the contrary notwithstanding.

8.2.2 Remedies Cumulative. During the continuance of an Event of Default, all or any one or more of the rights, powers, privileges and other remedies available to Lender against Borrowers under this Agreement or any of the other Loan Documents executed and delivered by, or applicable to, Borrowers or at law or in equity may be exercised by Lender at any time and from

time to time, whether or not all or any of the Obligations shall be declared due and payable, and whether or not Lender shall have commenced any foreclosure proceeding or other action for the enforcement of its rights and remedies under any of the Loan Documents with respect to the Properties. The rights, powers and remedies of Lender under this Agreement shall be cumulative and not exclusive of any other right, power or remedy which Lender may have against any Borrower pursuant to this Agreement or the other Loan Documents, or existing at law or in equity or otherwise. Lender's rights, powers and remedies may be pursued independently, singly, successively, together or otherwise, at such time and in such order as Lender may determine in its sole discretion, to the fullest extent permitted by law, without impairing or otherwise affecting the other rights and remedies of Lender permitted by law or contract or as set forth herein or in the other Loan Documents or by equity. Without limiting the generality of the foregoing, if an Event of Default is continuing (i) Lender shall not be subject to any "one action" or "election of remedies" law or rule, and (ii) all Liens and other rights, remedies or privileges provided to Lender shall remain in full force and effect until Lender has exhausted all of its remedies against the Properties and the Mortgages have been foreclosed, sold and/or otherwise realized upon in satisfaction of the Obligations or the Obligations have been paid in full. No delay or omission to exercise any remedy, right or power accruing upon an Event of Default shall impair any such remedy, right or power or shall be construed as a waiver thereof, but any such remedy, right or power may be exercised from time to time and as often as may be deemed expedient. A waiver of one Default or Event of Default with respect to any Borrower shall not be construed to be a waiver of any subsequent Default or Event of Default by such Borrower or to impair any remedy, right or power consequent thereon.

8.2.3 Severance.

(a) During the continuance of an Event of Default, Lender shall have the right from time to time to partially foreclose any Mortgage in any manner and for any amounts secured by such Mortgage then due and payable as determined by Lender in its sole discretion, including the following circumstances: (i) in the event Borrowers default beyond any applicable grace period in the payment of one or more scheduled payments of principal and interest, Lender may foreclose any Mortgage to recover such delinquent payments, or (ii) in the event Lender elects to accelerate less than the entire Outstanding Principal Balance, Lender may foreclose any Mortgage to recover so much of the principal balance of the Loan as Lender may accelerate and such other sums secured by any Mortgage as Lender may elect. Notwithstanding one or more partial foreclosures, each Property shall remain subject to a Mortgage to secure payment of the sums secured by such Mortgage and not previously recovered.

(b) During the continuance of an Event of Default, Lender shall have the right from time to time to sever the Note and the other Loan Documents into one or more separate notes, mortgages and other security documents in such denominations as Lender shall determine in its sole discretion for purposes of evidencing and enforcing its rights and remedies provided hereunder. Each Borrower shall execute and deliver to Lender from time to time, promptly after the request of Lender, a severance agreement and such other documents as Lender shall request in order to effect the severance described in the preceding sentence, all in form and substance reasonably satisfactory to Lender. Each Borrower hereby absolutely and irrevocably appoints Lender as its true and lawful attorney, coupled with an interest, in its name and stead to make and execute all documents necessary or desirable to effect the aforesaid severance, each Borrower ratifying all that its said attorney shall do by virtue thereof; provided, however, Lender shall not make or execute any such documents under such power until three (3) Business Days after notice has been given to such Borrower by Lender of Lender's intent to exercise its rights under such power.

(c) During the continuance of an Event of Default, any amounts recovered from the Properties or any other collateral for the Loan after an Event of Default may be applied by Lender toward the payment of any interest and/or principal of the Loan and/or any other amounts due under the Loan Documents, in such order, priority and proportions as Lender in its sole discretion shall determine.

8.2.4 Lender's Right to Perform. If any Borrower fails to perform any covenant or obligation contained herein and such failure shall continue for a period of five (5) Business Days after such Borrower's receipt of written notice thereof from Lender, without in any way limiting Lender's right to exercise any of its rights, powers or remedies as provided hereunder, or under any of the other Loan Documents, Lender may, but shall have no obligation to, perform, or cause the performance of, such covenant or obligation, and all out-of-pocket costs, out-of-pocket expenses, liabilities, penalties and fines of Lender incurred or paid in connection therewith shall be payable by Borrowers to Lender upon demand and if not paid shall be added to the Obligations (and to the extent permitted under applicable laws, secured by the Mortgages and the other Loan Documents) and shall bear interest thereafter at the Default Rate. Notwithstanding the foregoing, Lender shall have no obligation to send notice to any Borrower of any such failure.

ARTICLE 9

SALE AND SECURITIZATION OF MORTGAGES

Section 9.1 Sale of Mortgages and Securitization.

(a) Lender shall have the right (i) to sell or otherwise transfer the Loan or any portion thereof as a whole loan, (ii) to sell participation interests in the Loan, or (iii) to securitize the Loan or any portion thereof in a single asset securitization or in one or more pooled loan securitizations. (The transactions referred to in clauses (i), (ii) and (iii) are each hereinafter referred to as a "***Secondary Market Transaction***" and the transactions referred to in clause (iii) shall hereinafter be referred to as a "***Securitization***". Any certificates, notes or other securities issued in connection with a Secondary Market Transaction are hereinafter referred to as "***Securities***"). At Lender's election, each note and/or component comprising the Loan may be subject to one or more Secondary Market Transactions.

(b) If requested by Lender, Borrowers shall assist Lender in satisfying the market standards to which Lender customarily adheres or which may be required in the marketplace, by prospective investors, the Rating Agencies, applicable Legal Requirements and/or otherwise in the marketplace in connection with any Secondary Market Transactions, including to:

(i) (A) provide updated financial and other information with respect to each Property, the business operated at each Property, each Borrower, each Guarantor and the Manager, including, without limitation, the information set forth on **Exhibit B** attached hereto, (B) provide updated budgets and rent rolls (including itemized percentage of floor area occupied and percentage of aggregate base rent for each Tenant) relating to each Property, and (C) provide updated appraisals, market studies, environmental reviews and

reports (Phase I's and, if appropriate, Phase II's), property condition reports and other due diligence investigations of each Property (the "***Updated Information***"), together, if customary, with appropriate verification of the Updated Information through letters of auditors or opinions of counsel acceptable to Lender and the Rating Agencies;

(ii) provide opinions of counsel, which may be relied upon by Lender, trustee in any Securitization, underwriters, NRSROs and their respective counsel, agents and representatives, as to non-consolidation, fraudulent conveyance and true sale or any other opinion customary in Secondary Market Transactions or required by the Rating Agencies with respect to each Property, the Loan Documents, and each Borrower and its Affiliates, which counsel and opinions shall be satisfactory to Lender and the Rating Agencies;

(iii) provide updated, as of the closing date of any Secondary Market Transaction, representations and warranties made in the Loan Documents and such additional representations and warranties as the Rating Agencies may require; and

(iv) (A) review any Disclosure Document or any interim draft thereof furnished by Lender to Borrowers with respect to information contained therein that was furnished to Lender by or on behalf of Borrowers in connection with the preparation of such Disclosure Document or in connection with the underwriting or closing of the Loan, including financial statements of Borrowers and Guarantors, operating statements and rent rolls with respect to the Properties, and (B) within three (3) Business Days following Borrowers' receipt thereof, provide to Lender in writing any revisions to such Disclosure Document or interim draft thereof necessary or advisable to insure that such reviewed information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make statements contained therein not misleading.

(c) If, at the time a Disclosure Document is being prepared for a Securitization, Lender expects that Borrowers alone or Borrowers and one or more Affiliates of Borrowers (including any guarantor or other Person that is directly or indirectly committed by contract or otherwise to make payments on all or a part of the Loan) collectively, or the Properties alone or the Properties and Related Properties collectively, will be a Significant Obligor, Borrowers shall furnish to Lender upon request the following financial information:

(i) if Lender expects that the principal amount of the Loan together with any Related Loans, as of thecut-off date for such Securitization, may equal or exceed ten percent (10%) (but less than twenty percent (20%)) of the aggregate principal amount of all mortgage loans included or expected to be included in the Securitization, net operating income for each Property and the Related Properties for the most recent Fiscal Year and interim period as required under Item 1112(b)(1) of Regulation AB (or, if the Loan is not treated as a non-recourse loan under Instruction 3 for Item 1101(k) of Regulation AB, selected financial data meeting the requirements and covering the time periods specified in Item 301 of Regulation S-K and Item 1112(b)(1) of Regulation AB), or

(ii) if Lender expects that the principal amount of the Loan together with any Related Loans, as of thecut-off date for such Securitization, may equal or exceed twenty percent (20%) of the aggregate principal amount of all mortgage loans included or expected to be included in the Securitization, the financial statements required under Item

1112(b)(2) of Regulation AB (which includes, but may not be limited to, a balance sheet with respect to the entity that Lender determines to be a Significant Obligor for the two most recent Fiscal Years and applicable interim periods, meeting the requirements of Rule 3-01 of Regulation S-X, and statements of income and statements of cash flows with respect to each Property for the three most recent Fiscal Years and applicable interim periods, meeting the requirements of Rule 3-02 of Regulation S-X (or if Lender determines that the Properties are the Significant Obligor and the Properties (other than properties that are hotels, nursing homes, or other properties that would be deemed to constitute a business and not real estate under Regulation S-X or other legal requirements) were acquired from an unaffiliated third party and the other conditions set forth in Rule 3-14 of Regulation S-X have been met, the financial statements required by Rule 3-14 of Regulation S-X)).

(d) Further, if requested by Lender, Borrowers shall, promptly upon Lender's request, furnish to Lender financial data or financial statements meeting the requirements of Item 1112(b)(1) or (2) of Regulation AB, as specified by Lender, for any Tenant under any Lease at any Property (to the extent available to Borrower) if, in connection with a Securitization, Lender expects there to be, as of the cutoff date for such Securitization, a concentration with respect to such Tenant or group of affiliated Tenants under any Lease within all of the mortgage loans included or expected to be included in the Securitization such that such Tenant or group of affiliated Tenants under any Lease would constitute a Significant Obligor. Borrowers shall furnish to Lender, in connection with the preparation of the Disclosure Documents and on an ongoing basis, financial data and/or financial statements with respect to such Tenants under any Lease meeting the requirements of Item 1112(b)(1) or (2) of Regulation AB, as specified by Lender, but only for so long as such entity or entities are a Significant Obligor and either (x) filings pursuant to the Exchange Act in connection with or relating to the Securitization (an "***Exchange Act Filing***") are required to be made under applicable Legal Requirements or (y) comparable information is required to otherwise be "available" to holders of the Securities under Regulation AB or applicable Legal Requirements.

(e) If Lender determines that Borrowers alone or Borrowers and one or more Affiliates of any Borrowers collectively, or the Properties alone or the Properties and Related Properties collectively, are a Significant Obligor, then Borrowers shall furnish to Lender, on an ongoing basis, selected financial data or financial statements meeting the requirements of Item 1112(b)(1) or (2) of Regulation AB, as specified by Lender, but only for so long as such entity or entities are a Significant Obligor and either (x) Exchange Act Filings are required to be made under applicable Legal Requirements or (y) comparable information is required to otherwise be "available" to holders of the Securities under Regulation AB or applicable Legal Requirements.

(f) Any financial data or financial statements provided pursuant to this Section 9.1 shall be furnished to Lender within the following time periods:

(i) with respect to information requested in connection with the preparation of Disclosure Documents for a Securitization, within ten (10) Business Days after notice from Lender; and

(ii) with respect to ongoing information required under Section 9.1(d) and (e) above, (1) not later than thirty (30) days after the end of each fiscal quarter of each Borrower and (2) not later than seventy-five (75) days after the end of each Fiscal Year of each Borrower.

(g) If requested by Lender, Borrowers shall provide Lender, promptly, and in any event within three (3) Business Days following Lender's request therefor, with any other or additional financial statements, or financial, statistical or operating information, as Lender shall reasonably determine to be required pursuant to Regulation S-K or Regulation S-X, as applicable, Regulation AB, or any amendment, modification or replacement thereto or other Legal Requirements relating to a Securitization or as shall otherwise be reasonably requested by the Lender.

(h) If requested by Lender, whether in connection with a Securitization or at any time thereafter during which the Loan and any Related Loans are included in a Securitization, Borrowers shall provide Lender, promptly upon request, a list of Tenants (including all affiliates of such Tenants) that in the aggregate of all the Properties (1) occupy 10% or more (but less than 20%) of the total floor area of the improvements or represent 10% or more (but less than 20%) of aggregate base rent, and (2) occupy 20% or more of the total floor area of the improvements or represent 20% or more of aggregate base rent.

(i) All financial statements provided by Borrowers pursuant to this Section 9.1(c), (d), (e) or (f) shall be prepared in accordance with GAAP, and shall meet the requirements of Regulation S-K or Regulation S-X, as applicable, Regulation AB, and other applicable Legal Requirements. All financial statements relating to a Fiscal Year shall be audited by Independent Accountants in accordance with generally accepted auditing standards, Regulation S-X or Regulation S-K, as applicable, Regulation AB, and all other applicable Legal Requirements, shall be accompanied by the manually executed report of the Independent Accountants thereon, which report shall meet the requirements of Regulation S-K or Regulation S-X, as applicable, Regulation AB, and all other applicable Legal Requirements, and shall be further accompanied by a manually executed written consent of the Independent Accountants, in form and substance acceptable to Lender, to the inclusion of such financial statements in any Disclosure Document and any Exchange Act Filing and to the use of the name of such Independent Accountants and the reference to such Independent Accountants as "experts" in any Disclosure Document and Exchange Act Filing (or comparable information is required to otherwise be available to holders of the Securities under Regulation AB or applicable Legal Requirements), all of which shall be provided at the same time as the related financial statements are required to be provided. All other financial statements shall be certified by the chief financial officer of Borrower, which certification shall state that such financial statements meet the requirements set forth in the first sentence of this paragraph.

(j) In connection with any Secondary Market Transaction, Lender shall have the right, and Borrowers hereby authorize Lender, to disclose any and all information in Lender's possession regarding Borrowers, Guarantors, any Manager, any Property and/or the Loan in any Disclosure Document, in any promotional or marketing materials that are prepared by or on behalf of Lender in connection with such Secondary Market Transaction or in connection with any oral or written presentation made by or on behalf of Lender, including without limitation, to any actual or potential investors and any Rating Agencies and other NRSROs.

Section 9.2 Securitization Indemnification.

(a) Borrowers understand that information provided to Lender by Borrowers and their agents, counsel and representatives may be included in preliminary and final disclosure documents in connection with any Secondary Market Transaction, including a Securitization, including an offering circular, a prospectus, prospectus supplement, private placement memorandum or other offering document (each, a "***Disclosure Document***") and may also be included in filings with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "***Securities Act***"), or the Securities and Exchange Act of 1934, as amended (the "***Exchange Act***"), and may be made available to investors or prospective investors in the Securities, investment banking firms, NRSROs, accounting firms, law firms and other third-party advisory and service providers relating to any Secondary Market Transaction, including a Securitization. Borrowers also understand that the findings and conclusions of any third-party due diligence report obtained by the Lender, the Issuer or the Securitization placement agent or underwriter may be made publicly available if required, and in the manner prescribed, by Section 15E(s)(4)(A) of the Exchange Act and any rules promulgated thereunder.

(b) Borrowers hereby agree to indemnify Lender (and for purposes of this Section 9.2, Lender shall include the initial lender, its successors and assigns, and their respective officers and directors) and each Person who controls the Lender within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, the "***Lender Group***"), the issuer of the Securities (the "***Issuer***" and for purposes of this Section 9.2, Issuer shall include its officers, directors and each Person who controls the Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), and any placement agent or underwriter with respect to the Securitization, each of their respective officers and directors and each Person who controls the placement agent or underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, the "***Underwriter Group***") for any losses, claims, damages or liabilities (collectively, the "***Liabilities***") to which Lender, the Lender Group, the Issuer or the Underwriter Group may become subject insofar as the Liabilities arise out of, or are based upon, (A) any untrue statement of any material fact contained in the information provided to Lender by any Borrower and its agents, counsel and representatives, (B) the omission or alleged omission to state therein a material fact required to be stated in such information or necessary in order to make the statements in such information, in light of the circumstances under which they were made, not misleading, or (C) a breach of the representations and warranties made by any Borrower in Section 3.1.31 of this Agreement (Full and Accurate Disclosure). Borrowers also agrees to reimburse Lender, the Lender Group, the Issuer and/or the Underwriter Group for any legal or other expenses reasonably incurred by Lender, the Lender Group, the Issuer and/or the Underwriter Group in connection with investigating or defending the Liabilities. Borrowers' liability under this paragraph will be limited to Liability that arises out of, or is based upon, an untrue statement or omission made in reliance upon, and in conformity with, information furnished to Lender by or on behalf of Borrowers in connection with the preparation of the Disclosure Document or in connection with the underwriting or closing of the Loan, including financial statements of Borrowers, operating statements and rent rolls with respect to the Properties. This indemnification provision will be in addition to any liability which Borrowers may otherwise have. Borrowers acknowledge and agree that any Person that is included in the Lender Group, the Issuer and/or the Underwriter Group that is not a direct party to this Agreement shall be deemed to be a third-party beneficiary to this Agreement with respect to this Section 9.2(b). Within five (5) Business Days after Lender's written request, Borrowers and Guarantors shall execute and deliver

to Lender a separate indemnification and reimbursement agreement in favor of the Lender Group, the Issuer and the Underwriter Group in form and substance consistent with the indemnification and reimbursement obligations of Borrowers under this Section 9.2(b).

(c) In connection with any Exchange Act Filing or other reports containing comparable information that is required to be made "available" to holders of the Securities under Regulation AB or applicable Legal Requirements, Borrowers agree to (i) indemnify Lender, the Lender Group, the Issuer and the Underwriter Group for Liabilities to which Lender, the Lender Group, the Issuer and/or the Underwriter Group may become subject insofar as the Liabilities arise out of, or are based upon, an alleged untrue statement or alleged omission or an untrue statement or omission made in reliance upon, and in conformity with, information furnished to Lender by or on behalf of any Borrower in connection with the preparation of the Disclosure Document or in connection with the underwriting or closing of the Loan, including financial statements of any Borrower, operating statements and rent rolls with respect to any Property, and (ii) reimburse Lender, the Lender Group, the Issuer and/or the Underwriter Group for any legal or other expenses reasonably incurred by Lender, the Lender Group, the Issuer and/or the Underwriter Group in connection with defending or investigating the Liabilities.

(d) Promptly after receipt by an indemnified party under this Section 9.2 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 9.2, notify the indemnifying party in writing of the commencement thereof, but the omission to so notify the indemnifying party will not relieve the indemnifying party from any liability which the indemnifying party may have to any indemnified party hereunder except to the extent that failure to notify causes prejudice to the indemnifying party. In the event that any action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled, jointly with any other indemnifying party, to participate therein and, to the extent that it (or they) may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party. After notice from the indemnifying party to such indemnified party pursuant to the immediately preceding sentence of this Section 9.2(d), such indemnifying party shall not pay for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there are any legal defenses available to it and/or other indemnified parties that are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party at the cost of the indemnifying party. The indemnifying party shall not be liable for the expenses of more than one separate counsel unless an indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or additional to those available to any other indemnified party. Without the prior written consent of Lender (which consent shall not be unreasonably withheld or delayed), no indemnifying party shall settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not any indemnified party is an actual or potential party to such claim, action, suit or proceeding) unless the indemnifying party shall have given Lender reasonable prior written notice thereof and shall have obtained an

unconditional release of each indemnified party hereunder from all liability arising out of such claim, action, suit or proceedings, and such settlement requires no statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of the Indemnified Party.

(e) In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 9.2(b) or (c) is for any reason held to be unenforceable as to an indemnified party in respect of any Liabilities (or action in respect thereof) referred to therein which would otherwise be indemnifiable under Section 9.2(b) or (c), the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such Liabilities (or action in respect thereof); provided, however, that no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. In determining the amount of contribution to which the respective parties are entitled, the following factors shall be considered: (i) the Issuer's and applicable Borrower's relative knowledge and access to information concerning the matter with respect to which the claim was asserted; (ii) the opportunity to correct and prevent any statement or omission; and (iii) any other equitable considerations appropriate in the circumstances. Lender and Borrowers hereby agree that it would not be equitable if the amount of such contribution were determined by pro rata or per capita allocation.

(f) The liabilities and obligations of both Borrowers and Lender under this Section 9.2 shall survive the termination of this Agreement and the satisfaction and discharge of the Debt.

Section 9.3 Severance.

9.3.1 Severance Documentation. Lender, without in any way limiting Lender's other rights hereunder, in its sole and absolute discretion, shall have the right, at any time (whether prior to or after any sale, participation or Securitization of all or any portion of the Loan), to require Borrowers to execute and deliver "component" notes and/or modify the Loan in order to create one or more senior and subordinate notes (i.e., an A/B or A/B/C structure) and/or one or more additional components of the Note or Notes (including the implementation of one or more New Mezzanine Loans (in accordance with Section 9.3.2 below)), reduce the number of components of the Note or Notes, revise the interest rate for each component, reallocate the principal balances of the Notes and/or the components, increase or decrease the monthly debt service payments for each component or eliminate the component structure and/or the multiple note structure of the Loan (including the elimination of the related allocations of principal and interest payments), provided that the Outstanding Principal Balance of all components immediately after the effective date of such modification equals the Outstanding Principal Balance immediately prior to such modification and the weighted average of the interest rates for all components immediately after the effective date of such modification equals the interest rate of the original Note immediately prior to such modification. At Lender's election, each note comprising the Loan may be subject to one or more Securitizations. Lender shall have the right to modify the Note and/or Notes and any components in accordance with this Section 9.3 and, provided that such modification shall comply with the terms of this Section 9.3, it shall become immediately effective.

9.3.2 New Mezzanine Loan Option. Lender, without in any way limiting Lender's other rights hereunder, in its sole and absolute discretion, shall have the right, at any time (whether

prior to or after any Secondary Market Transaction), to create one or more mezzanine loans (each, a "***New Mezzanine Loan***"), to (i) establish different interest rates and to reallocate the Outstanding Principal Balance and Monthly Debt Service Payment Amount of the Loan to the Loan and such New Mezzanine Loan(s), (ii) require the payment of the Loan and any New Mezzanine Loan(s) in such order of priority as may be designated by Lender and (iii) modify the Debt Service Coverage Ratio covenants to provide for mortgage only and aggregate tests based on a calculation of each based on the Loan only balance and the aggregate balance of the Loan plus the New Mezzanine Loan(s); *provided*, that the outstanding principal balance of the Loan and such New Mezzanine Loan(s) immediately after the effective date of the creation of such New Mezzanine Loan(s) equals the Outstanding Principal Balance immediately prior to such modification, the weighted average of the interest rates for the Loan and such New Mezzanine Loan(s) immediately after the effective date of the creation of such New Mezzanine Loan(s) equals the interest rate of the original Note immediately prior to such modification and the combined Debt Service Coverage Ratio threshold equals the Debt Service Coverage Ratio threshold set forth herein. Borrower shall cause the formation of one or more special purpose, bankruptcy remote entities as required by Lender in order to serve as the borrower under any New Mezzanine Loan (each, a "***New Mezzanine Loan Borrower***") and the applicable organizational documents of Borrowers shall be amended and modified as necessary or required in the formation of any New Mezzanine Loan Borrower.

9.3.3 **Cooperation; Execution; Delivery**. Borrowers shall reasonably cooperate with all reasonable requests of Lender in connection with this Section 9.3. If requested by Lender, Borrowers shall promptly execute and deliver such documents as shall be required by Lender and any Rating Agency in connection with any modification or New Mezzanine Loan pursuant to this Section 9.3, all in form and substance reasonably satisfactory to Lender and satisfactory to any applicable Rating Agency, including, the severance of security documents if requested and/or, in connection with the creation of any New Mezzanine Loan: (i) execution and delivery of a promissory note and loan documents necessary to evidence such New Mezzanine Loan, (ii) execution and delivery of such amendments to the Loan Documents as are necessary in connection with the creation of such New Mezzanine Loan, (iii) delivery of opinions of legal counsel with respect to due execution, authority and enforceability of any modification documents or documents evidencing or securing any New Mezzanine Loan, as applicable and (iv) with respect to any New Mezzanine Loan, delivery of a substantive non-consolidation opinion; each as reasonably acceptable to Lender, prospective investors and/or the Rating Agencies. In the event any Borrower fails to execute and deliver such documents to Lender within five (5) Business Days following such request by Lender, each Borrower hereby absolutely and irrevocably appoints Lender as its true and lawful attorney, coupled with an interest, in its name and stead to make and execute all documents necessary or desirable to effect such transactions, each Borrower hereby ratifying all that such attorney shall do by virtue thereof. It shall be an Event of Default under this Agreement, the Note, the Mortgages and the other Loan Documents if any Borrower fails to comply with any of the terms, covenants or conditions of this Section 9.3 after expiration of ten (10) Business Days after notice thereof.

ARTICLE 10

MISCELLANEOUS

Section 10.1 **Exculpation**. Subject to the qualifications below, Lender shall not enforce the liability and obligation of any Borrower to perform and observe the Obligations

contained in the Note, this Agreement, the Mortgages or the other Loan Documents by any action or proceeding wherein a money judgment shall be sought against such Borrower, except that Lender may bring a foreclosure action, an action for specific performance or any other appropriate action or proceeding to enable Lender to enforce and realize upon its interest under the Note, this Agreement, the Mortgages and the other Loan Documents, or in all or any of the Properties, the Gross Revenues or any other collateral given to Lender pursuant to the Loan Documents; provided, however, that, except as specifically provided herein, any judgment in any such action or proceeding shall be enforceable against a Borrower only to the extent of such Borrower's interest in the Properties, in the Gross Revenues and in any other collateral given to Lender, and Lender, by accepting the Note, this Agreement, the Mortgages and the other Loan Documents, shall not sue for, seek or demand any deficiency judgment against a Borrower in any such action or proceeding under or by reason of or under or in connection with the Note, this Agreement, the Mortgages or the other Loan Documents. The provisions of this Section 10.1 shall not, however, (a) constitute a waiver, release or impairment of any obligation evidenced or secured by any of the Loan Documents; (b) impair the right of Lender to name one or more Borrowers as a party defendant in any action or suit for foreclosure and sale under any Mortgage; (c) affect the validity or enforceability of any of the Loan Documents or any guaranty made in connection with the Loan or any of the rights and remedies of Lender thereunder; (d) impair the right of Lender to obtain the appointment of a receiver; (e) impair the enforcement of the Assignments of Leases; (f) impair the enforcement of the Environmental Indemnity; (g) constitute a prohibition against Lender to seek a deficiency judgment against all or any of the Borrowers in order to fully realize the security granted by any Mortgage or to commence any other appropriate action or proceeding in order for Lender to exercise its remedies against all or any of the Properties; or (h) constitute a waiver of the right of Lender to enforce the liability and obligation of Borrowers, by money judgment or otherwise, to the extent of any loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including attorneys' fees and costs reasonably incurred) arising out of or in connection with the following (all such liability and obligation of Borrowers for any or all of the following being referred to herein as "***Borrowers' Recourse Liabilities***"):

(i) fraud, willful misconduct, misrepresentation or intentional failure to disclose a material fact by or on behalf of any Borrower, any Guarantor, any Affiliate of any Borrower or any Guarantor, or any of their respective agents or representatives in connection with the Loan, including by reason of any claim under the Racketeer Influenced and Corrupt Organizations Act (RICO);

(ii) the breach of any representation, warranty, covenant or indemnification provision in the Environmental Indemnity or in any other Loan Document concerning environmental laws, hazardous substances and/or asbestos and any indemnification of Lender with respect thereto in either document;

(iii) wrongful removal or destruction of any portion of any Property or damage to any Property caused by willful misconduct or gross negligence;

(iv) any physical waste of any of the Properties;

(v) the forfeiture by any Borrower of any Property, or any portion thereof, because of the conduct of criminal activity by any Borrower or any Guarantor or any of their respective agents or representatives in connection therewith;

(vi) the misappropriation or conversion by or on behalf of any Borrower of (A) any Insurance Proceeds paid by reason of any loss, damage or destruction to any Property, (B) any Awards or other amounts received in connection with the Condemnation of all or a portion of any Property, or (C) any Gross Revenues (including Rents, Insurance Proceeds, security deposits, advance deposits or any other deposits, Lease Termination Payments, and Lease Sweep Lease Termination Payments) or (D) any other funds due under the Loan Documents, including, in connection with any of the foregoing, by reason of failure to comply with Section 6.1 hereof or breach of the Clearing Account Agreement or the Cash Management Agreement;

(vii) subject to Borrower's right to contest set forth in Section 4.3 of this Agreement, failure to pay charges for labor or materials or other charges that can create Liens on any portion of any Property;

(viii) any security deposits, advance deposits or any other deposits collected with respect to any Property which are not delivered to Lender in accordance with the provisions of the Loan Documents;

(ix) the failure to pay Taxes or transfer taxes;

(x) failure to obtain and maintain the fully paid for Policies in accordance with Section 5.1.1 hereof;

(xi) intentionally omitted;

(xii) the failure to pay Common Charges;

(xiii) intentionally omitted;

(xiv) Borrowers' indemnification of Lender set forth in Section 9.2 hereof;

(xv) any cost or expense incurred by Lender in connection with the enforcement of its rights and remedies under the Guaranty; and/or

(xvi) a breach of the covenants set forth in Section 4.4 hereof (other than those covenants set forth in clauses (f), (j) and (v) of Schedule V attached hereto) or a breach of any of the representations set forth in the "Recycled SPE Certificate" delivered to Lender in connection with the Loan that does not result in the substantive consolidation of the assets and liabilities of Borrower with any other Person as a result of such breach.

In addition to the above and notwithstanding anything contained in this Agreement or any of the other Loan Documents to the contrary, Borrowers hereby assume liability for, and hereby unconditionally guarantee, payment to Lender (for deposit by Lender into the Casualty and Condemnation Account (as defined in the Cash Management Agreement)) of the Guaranteed

Insurance Shortfall Amount following a Casualty to the DC Property (or any portion thereof) if after such Casualty two-thirds (2/3) or more of the Units are rendered untenantable (a "***Total Condo Casualty***"). Borrowers shall pay the Guaranteed Insurance Shortfall Amount to Lender within ten (10) Business Days of demand by Lender following Lender's determination in its sole discretion that a Casualty is a Total Condo Casualty (the liability and obligation of Borrowers under this paragraph to pay to Lender the Guaranteed Insurance Shortfall Amount being referred to herein as the "***Borrowers' Casualty Recourse Liabilities***"). Upon payment in full of the Guaranteed Insurance Shortfall Amount in accordance with this paragraph, Lender shall release the DC Property from the Lien of the Mortgage encumbering the DC Property (and related Loan Documents) and Borrowers shall satisfy all of the requirements of Section 2.5.3 with respect to such release. As used herein, the term "***Guaranteed Insurance Shortfall Amount***" shall mean an amount equal to the sum of (A) the difference between (i) 125% of the Allocated Loan Amount for such Property and (ii) the Insurance Proceeds from the Total Condo Casualty, (B) all costs, taxes and expenses associated with the release of the Lien of the Mortgage encumbering the DC Property, including Lender's reasonable attorneys' fees, and (C) any additional amount necessary to pay down the Outstanding Principal Balance such that the loan-to-value ratio of the Properties then remaining subject to the Lien of the Loan Documents following the release of the Lien of the Mortgage encumbering the DC Property (such value to be determined by the Lender in its reasonable discretion based on a commercially reasonable valuation method permitted to a REMIC Trust and which shall exclude the value of personal property or going concern value, if any) is less than one hundred and twenty-five percent (125%).

In addition to the above and to any other indemnification obligations thereof in this Agreement, and notwithstanding anything contained in this Agreement or any of the other Loan Documents to the contrary, Borrowers hereby assume liability for, and hereby unconditionally guarantee: (i) the payment and performance of the Guaranteed Indemnified Liabilities (defined below) to the extent such Guaranteed Indemnified Liabilities are not otherwise satisfied by an insurer pursuant to a policy of insurance providing the coverages required under Section 5.1.1(a)(ii) hereof (including, without limitation, any liability insurance coverage held by the Condo Association) and (ii) to the extent Lender incurs any costs, expenses and disbursements of any kind in the defense of, arising from, or otherwise in connection with, the Guaranteed Indemnified Liabilities, the payment to Lender of such incurred costs, expenses and disbursements within ten (10) Business Days of demand by Lender (the liability and obligation of Borrowers under the immediately foregoing clauses (i) and (ii) being referred to herein as the "***Borrowers' Indemnification Recourse Liabilities***," and together with the Borrowers' Casualty Recourse Liabilities, collectively, "***Borrowers' Additional Recourse Liabilities***"). As used herein, the term "***Guaranteed Indemnified Liabilities***" shall mean the obligations or liabilities of Borrowers to Lender set forth in Section 4.30 hereof with respect to any personal injury, bodily injury, death or property damage occurring upon, in or about the DC Property or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways (including, without limitation, the Common Elements).

Notwithstanding anything to the contrary in this Agreement or any of the other Loan Documents, (A) Lender shall not be deemed to have waived any right which Lender may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of the Obligations or to require that all collateral shall continue to secure all of the

Obligations owing to Lender in accordance with the Loan Documents, and (B) the Obligations shall be fully recourse to Borrowers in the event that any of the following occur (each, a "***Springing Recourse Event***"):

(i) a breach of the covenants set forth in Section 4.4 hereof (other than those covenants set forth in clauses (f), (j) and (v) of Schedule V attached hereto) or a breach of any of the representations set forth in the "Recycled SPE Certificate" delivered to Lender in connection with the Loan that results in the substantive consolidation of the assets and liabilities of Borrower with any other Person as a result of such breach or any breach of clauses (a), (b), (d) or (n) of Schedule V attached hereto;

(ii) any Borrower fails to obtain Lender's prior consent to any subordinate financing secured by any Property or other voluntary Lien encumbering any Property;

(iii) any Borrower fails to obtain Lender's prior consent to any Transfer of any Property or any interest therein or any Transfer of any direct or indirect interest in any Borrower, in either case as required by the Mortgages or this Agreement other than a Permitted Transfer;

(iv) intentionally omitted;

(v) any Borrower or any SPC Party files a voluntary petition under the Bankruptcy Code or any other Federal or state bankruptcy or insolvency law;

(vi) any Borrower is substantively consolidated with any other Person; *unless* such consolidation was involuntary and not consented to by such Borrower, such SPC Party or Guarantor and is discharged, stayed or dismissed within thirty (30) days following the occurrence of such consolidation;

(vii) the filing of an involuntary petition against any Borrower and/or any SPC Party under the Bankruptcy Code or any other Federal or state bankruptcy or insolvency law by any other Person in which any Borrower and/or any SPC Party colludes with or otherwise assists such Person, and/or Borrower and/or any SPC Party solicits or causes to be solicited petitioning creditors for any involuntary petition against any Borrower and/or any SPC Party by any Person;

(viii) any Borrower and/or any SPC Party files an answer consenting to, or otherwise acquiescing in, or joining in, any involuntary petition filed against it by any other Person under the Bankruptcy Code or any other Federal or state bankruptcy or insolvency law;

(ix) any Borrower or any Affiliate, officer, director or representative which controls Borrower consents to, or acquiesces in, or joins in, an application for the appointment of a custodian, receiver, trustee or examiner for such Borrower or any portion of the Property owned by such Borrower;

(x) any Borrower or any SPC Party makes an assignment for the benefit of creditors or admits, in writing or in any legal proceeding, its insolvency or inability to pay its debts as they become due;

(xi) (A) if the Condominium shall be terminated (following a Casualty, Condemnation or otherwise) without Lender's prior written consent, (B) up to the Allocated Loan Amount for the DC Property, if any of the Condo Association, Board of Directors, Residential Council (as defined in the Condominium Documents), Commercial Council (as defined in the

Condominium Documents) or Unit Owners institutes or enforces any decision that has an unfair or disparate material adverse effect on the use, ownership, operation or value of the DC Property, any Borrower or the Loan, in each instance without Lender's prior written consent thereto, or (C) if the DC Property is not promptly restored following a Casualty or Condemnation; provided, however, there shall be no liability under this clause (xi) to the extent Lender shall have received the Permitted Condo Amendment and all other terms and conditions set forth in Section 4.35(c) of this Agreement shall have been satisfied in connection therewith;

(xii) any amendment, cancellation, termination or other modification of (or waiver by any Borrower of any material term under) the Condominium Documents without Lender's prior written consent as required by the Mortgage or this Agreement.; or

(xiii) if any Guarantor (or any Person comprising any Guarantor), any Borrower or any Affiliate of any of the foregoing, in connection with any enforcement action or exercise or assertion of any right or remedy by or on behalf of Lender under or in connection with the Guaranty, the Note, the Mortgages or any other Loan Document, seeks a defense, judicial intervention or injunctive or other equitable relief of any kind, or asserts in a pleading filed in connection with a judicial proceeding any defense against Lender or any right in connection with any security for the Loan.

Section 10.2 Survival; Successors and Assigns. This Agreement and all covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by Lender of the Loan and the execution and delivery to Lender of the Note, and shall continue in full force and effect so long as all or any of the Obligations are outstanding and unpaid unless a longer period is expressly set forth herein or in the other Loan Documents. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the legal representatives, successors and assigns of such party. All covenants, promises and agreements in this Agreement, by or on behalf of Borrowers, shall inure to the benefit of the legal representatives, successors and assigns of Lender.

Section 10.3 Lender's Discretion; Rating Agency Review Waiver.

(a) Whenever pursuant to this Agreement Lender exercises any right given to it to approve or disapprove any matter, or any arrangement or term is to be satisfactory to Lender, the decision of Lender to approve or disapprove such matter or to decide whether arrangements or terms are satisfactory or not satisfactory shall (except as is otherwise specifically herein provided) be in the sole discretion of Lender and shall be final and conclusive. Prior to a Securitization, whenever pursuant to this Agreement the Rating Agencies are given any right to approve or disapprove any matter, or any arrangement or term is to be satisfactory to the Rating Agencies, the decision of Lender to approve or disapprove such matter or to decide whether arrangements or terms are satisfactory or not satisfactory, based upon Lender's determination of Rating Agency criteria, shall be substituted therefor.

(b) Whenever, pursuant to this Agreement or any other Loan Documents, a Rating Agency Confirmation is required from each applicable Rating Agency, in the event that any applicable Rating Agency "declines review", "waives review" or otherwise indicates in writing or otherwise to Lender's or Servicer's satisfaction that no Rating Agency Confirmation will or needs to be issued with respect to the matter in question (each, a "***Review Waiver***"), then

the Rating Agency Confirmation requirement shall be deemed to be satisfied with respect to such matter. It is expressly agreed and understood, however, that receipt of a Review Waiver (i) from any one Rating Agency shall not be binding or apply with respect to any other Rating Agency and (ii) with respect to one matter shall not apply or be deemed to apply to any subsequent matter for which Rating Agency Confirmation is required.

(c) Prior to a Securitization or in the event that there is a Review Waiver, if Lender does not have a separate and independent approval right with respect to the matter in question, then the term Rating Agency Confirmation shall be deemed instead to require the prior written consent of Lender.

Section 10.4 Governing Law.

(a) THIS AGREEMENT WAS NEGOTIATED IN THE STATE OF NEW YORK, AND MADE BY LENDER AND ACCEPTED BY BORROWERS IN THE STATE OF NEW YORK, AND THE PROCEEDS OF THE NOTE DELIVERED PURSUANT HERETO WERE DISBURSED FROM THE STATE OF NEW YORK, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA, EXCEPT THAT AT ALL TIMES THE PROVISIONS FOR THE CREATION, PERFECTION AND ENFORCEMENT OF THE LIENS AND SECURITY INTERESTS CREATED PURSUANT HERETO AND PURSUANT TO THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED ACCORDING TO, THE LAW OF THE STATE, COMMONWEALTH OR DISTRICT, AS APPLICABLE, IN WHICH THE PROPERTIES LOCATED, IT BEING UNDERSTOOD THAT, TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, COMMONWEALTH OR DISTRICT, AS APPLICABLE, THE LAW OF THE STATE OF NEW YORK SHALL GOVERN THE CONSTRUCTION, VALIDITY AND ENFORCEABILITY OF ALL LOAN DOCUMENTS AND ALL OF THE OBLIGATIONS ARISING HEREUNDER OR THEREUNDER. TO THE FULLEST EXTENT PERMITTED BY LAW, BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS AGREEMENT AND THE NOTE, AND THIS AGREEMENT AND THE NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR ANY BORROWER ARISING OUT OF OR RELATING TO THIS AGREEMENT MAY AT LENDER'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE CITY OF NEW YORK, COUNTY OF NEW YORK, PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, AND EACH BORROWER WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE

AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND EACH BORROWER HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. EACH BORROWER DOES HEREBY DESIGNATE AND APPOINT:

CORPORATION SERVICE COMPANY
1180 AVENUE OF THE AMERICAS, SUITE 210
NEW YORK, NEW YORK 10036-8401

AS ITS AUTHORIZED AGENT TO ACCEPT AND ACKNOWLEDGE ON ITS BEHALF SERVICE OF ANY AND ALL PROCESS WHICH MAY BE SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY FEDERAL OR STATE COURT IN NEW YORK, NEW YORK, AND EACH BORROWER AGREES THAT SERVICE OF PROCESS UPON SAID AGENT AT SAID ADDRESS AND WRITTEN NOTICE OF SAID SERVICE MAILED OR DELIVERED TO SUCH BORROWER IN THE MANNER PROVIDED HEREIN SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON SUCH BORROWER IN ANY SUCH SUIT, ACTION OR PROCEEDING IN THE STATE OF NEW YORK. EACH BORROWER (I) SHALL GIVE PROMPT NOTICE TO LENDER OF ANY CHANGED ADDRESS OF ITS AUTHORIZED AGENT HEREUNDER, (II) MAY AT ANY TIME AND FROM TIME TO TIME DESIGNATE A SUBSTITUTE AUTHORIZED AGENT WITH AN OFFICE IN NEW YORK, NEW YORK (WHICH SUBSTITUTE AGENT AND OFFICE SHALL BE DESIGNATED AS THE PERSON AND ADDRESS FOR SERVICE OF PROCESS), AND (III) SHALL PROMPTLY DESIGNATE SUCH A SUBSTITUTE IF ITS AUTHORIZED AGENT CEASES TO HAVE AN OFFICE IN NEW YORK, NEW YORK OR IS DISSOLVED WITHOUT LEAVING A SUCCESSOR. NOTHING CONTAINED HEREIN SHALL AFFECT THE RIGHT OF LENDER TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY BORROWER IN ANY OTHER JURISDICTION.

Section 10.5 **Modification, Waiver in Writing**. No modification, amendment, extension, discharge, termination or waiver of any provision of this Agreement or of any other Loan Document, nor consent to any departure by any Borrower therefrom, shall in any event be effective unless the same shall be in a writing signed by the party or parties against whom enforcement is sought, and then such waiver or consent shall be effective only in the specific instance, and for the purpose, for which given. Except as otherwise expressly provided herein, no notice to, or demand on, any Borrower shall entitle any Borrower to any other or future notice or demand in the same, similar or other circumstances. Neither any failure nor any delay on the part of Lender in insisting upon strict performance of any term, condition, covenant or agreement, or exercising any right, power, remedy or privilege hereunder or under any other Loan Document, shall operate as or constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other future exercise, or the exercise of any other right, power, remedy or privilege. In particular, and not by way of limitation, by accepting payment after the due date of any amount payable under this Agreement or any other Loan Document, Lender shall not be deemed to have waived any right either to require prompt payment when due of all other amounts due under this Agreement or the other Loan Documents, or to declare a default for failure to effect prompt payment of any such other amount. Lender shall have the right to waive or reduce any time periods that Lender is entitled to under the Loan Documents in its sole and absolute discretion.

Section 10.6 **Notices**. All notices, demands, requests, consents, approvals or other communications (any of the foregoing, a "***Notice***") required, permitted or desired to be given hereunder shall be in writing and shall be sent by facsimile (with answer back acknowledged) or by registered or certified mail, postage prepaid, return receipt requested, or delivered by hand or by reputable overnight courier, addressed to the party to be so notified at its address hereinafter set forth, or to such other address as such party may hereafter specify in accordance with the provisions of this Section 10.6. Any Notice shall be deemed to have been received: (a) three (3) days after the date such Notice is mailed, (b) on the date of sending by facsimile if sent during business hours on a Business Day (otherwise on the next Business Day), (c) on the date of delivery by hand if delivered during business hours on a Business Day (otherwise on the next Business Day), and (d) on the next Business Day if sent by an overnight commercial courier, in each case addressed to the parties as follows:

If to Lender:	DBR Investments Co. Limited 60 Wall Street, 10th Floor New York, New York 10005 Attention: Peter DiConza and Donna Corrigan Facsimile No. (212) 797-4489
and to:	DBR Investments Co. Limited 60 Wall Street, 10th Floor New York, New York 10005 Attention: General Counsel Facsimile No. (646)736-5721
with a copy to:	Frost Brown Todd LLC 400 West Market Street, Suite 3200 Louisville, Kentucky 40202 Attention: John W. Gragg, Esq. Facsimile No.: (502) 581-1087
with a copy to:	Key Bank National Association Loan Servicing and Asset Management 11501 Outlook Street, Suite 300 Overland Park, KS 66211 Attention: Todd Reynolds Facsimile No.: (877) 379-1625
If to Borrowers:	GIPFL 1300 S Dale Mabry, LLC GIPDC 3707 14th St, LLC GIPAL JV 15091 SW Alabama 20, LLC 401 East Jackson Street, Suite 3300 Tampa, Florida 33602 Attention: David Sobelman Facsimile No.: (813) 448-1234

with a copy to: Trenam Law
200 Central Avenue, Suite 1600
St. Petersburg, Florida 33701
Attention: Timothy M. Hughes, Esq.
Facsimile No.: (727) 502-3408

Any party may change the address to which any such Notice is to be delivered by furnishing ten (10) days written notice of such change to the other parties in accordance with the provisions of this Section 10.6. Notices shall be deemed to have been given on the date as set forth above, even if there is an inability to actually deliver any such Notice because of a changed address of which no Notice was given, or there is a rejection or refusal to accept any Notice offered for delivery. Notice for any party may be given by its respective counsel. Additionally, Notice from Lender may also be given by Servicer and Lender hereby acknowledges and agrees that Borrowers shall be entitled to rely on any Notice given by Servicer as if it had been sent by Lender.

Section 10.7 Waiver of Trial by Jury. EACH BORROWER AND LENDER HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THE LOAN DOCUMENTS OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH BORROWER AND LENDER AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.

Section 10.8 Headings, Schedules and Exhibits. The Article and/or Section headings and the Table of Contents in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. The Schedules and Exhibits annexed hereto are hereby incorporated herein as a part of this Agreement with the same effect as if set forth in the body hereof.

Section 10.9 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 10.10 Preferences. Lender shall have the continuing and exclusive right to apply or reverse and reapply any and all payments by Borrowers to any portion of the Obligations of Borrowers hereunder. To the extent Borrowers make a payment or payments to Lender, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or proceeds received, the Obligations hereunder or part thereof intended to be satisfied shall be revived and continue in full force and effect, as if such payment or proceeds had not been received by Lender.

Section 10.11 Waiver of Notice. No Borrower shall be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Agreement or the other Loan Documents specifically and expressly provide for the giving of notice by Lender to Borrowers and except with respect to matters for which Borrowers are not, pursuant to applicable Legal Requirements, permitted to waive the giving of notice. Each Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Agreement or the other Loan Documents do not specifically and expressly provide for the giving of notice by Lender to such Borrower.

Section 10.12 Remedies of Borrower. In the event that a claim or adjudication is made that Lender or its agents have acted unreasonably or unreasonably delayed acting in any case where, by law or under this Agreement or the other Loan Documents, Lender or such agent, as the case may be, has an obligation to act reasonably or promptly, neither Lender nor its agents shall be liable for any monetary damages and Borrowers' sole remedy shall be limited to commencing an action seeking injunctive relief or declaratory judgment. Any action or proceeding to determine whether Lender has acted reasonably shall be determined by an action seeking declaratory judgment.

Section 10.13 Offsets, Counterclaims and Defenses. Any assignee of Lender's interest in and to this Agreement and the other Loan Documents shall take the same free and clear of all offsets, counterclaims or defenses which are unrelated to such documents which any Borrower may otherwise have against any assignor of such documents, and no such unrelated counterclaim or defense shall be interposed or asserted by one or more Borrower in any action or proceeding brought by any such assignee upon such documents and any such right to interpose or assert any such unrelated offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by Borrowers.

Section 10.14 No Joint Venture or Partnership; No Third Party Beneficiaries

(a) Borrowers and Lender intend that the relationships created hereunder and under the other Loan Documents be solely that of borrower and lender. Nothing herein or therein is intended to create a joint venture, partnership, tenancy-in-common or joint tenancy relationship between Borrowers and Lender or to grant Lender any interest in the Properties other than that of mortgagee, beneficiary or lender.

(b) The Loan Documents are solely for the benefit of Lender and Borrowers (and the Lender Group, the Issuer and the Underwriter Group with respect to Section 9.2(b)) and nothing contained in any Loan Document shall be deemed to confer upon anyone other than the Lender and Borrowers any right to insist upon or to enforce the performance or observance of any of the obligations contained therein.

Section 10.15 Publicity. All news releases, publicity or advertising by any Borrower or its Affiliates through any media intended to reach the general public which refers to the Loan Documents or the financing evidenced by the Loan Documents, to Lender, the Affiliate of Lender that acts as the issuer with respect to a Securitization or any of their other Affiliates (x) shall be prohibited prior to the final Securitization of the Loan and (y)

after the final Securitization of the Loan, shall be subject to the prior written approval of Lender. Lender shall have the right to issue any of the foregoing without Borrowers' approval and Borrowers authorize Lender to issue press releases, advertisements and other promotional materials in connection with Lender's own promotional and marketing activities, including in connection with a Secondary Market Transaction, and such materials may describe the Loan in general terms or in detail and Lender's participation therein in the Loan.

Section 10.16 **Waiver of Marshalling of Assets**. To the fullest extent permitted by law, Borrowers, for themselves and their successors and assigns, waive all rights to a marshalling of the assets of any Borrower, any Borrower's members or partners, as applicable, and others with interests in any Borrower, and of any Property, and shall not assert any right under any laws pertaining to the marshalling of assets, the sale in inverse order of alienation, homestead exemption, the administration of estates of decedents, or any other matters whatsoever to defeat, reduce or affect the right of Lender under the Loan Documents to a sale of any Property for the collection of the Obligations without any prior or different resort for collection, or of the right of Lender to the payment of the Obligations out of the net proceeds of any Property in preference to every other claimant whatsoever.

Section 10.17 **Certain Waivers**. Borrowers hereby waive the right to assert a counterclaim, other than a compulsory counterclaim, in any action or proceeding brought against it by Lender or its agents or otherwise to offset any obligations to make the payments required by the Loan Documents. No failure by Lender to perform any of its obligations hereunder shall be a valid defense to, or result in any offset against, any payments which any Borrower is obligated to make under any of the Loan Documents. Without limiting any of the other provisions contained herein, each Borrower hereby unconditionally and irrevocably waives, to the maximum extent not prohibited by applicable law, any rights it may have to claim or recover against Lender in any legal action or proceeding any special, exemplary, punitive or consequential damages.

Section 10.18 **Conflict; Construction of Documents; Reliance**. In the event of any conflict between the provisions of this Agreement and any of the other Loan Documents, the provisions of this Agreement shall control. The parties hereto acknowledge that they were represented by competent counsel in connection with the negotiation, drafting and execution of the Loan Documents and that such Loan Documents shall not be subject to the principle of construing their meaning against the party which drafted same. Each Borrower acknowledges that, with respect to the Loan, such Borrower shall rely solely on its own judgment and advisors in entering into the Loan, without relying in any manner on any statements, representations or recommendations of Lender or any parent, subsidiary or affiliate of Lender. Lender shall not be subject to any limitation whatsoever in the exercise of any rights or remedies available to it under any of the Loan Documents or any other agreements or instruments which govern the Loan by virtue of the ownership by it or any parent, subsidiary or affiliate of Lender of any equity interest any of them may acquire in any Borrower, and each Borrower hereby irrevocably waives the right to raise any defense or take any action on the basis of the foregoing with respect to Lender's exercise of any such rights or remedies. Borrowers acknowledge that Lender engages in the business of real estate financings and other real estate transactions and investments which may be viewed as adverse to or competitive with the business of any Borrower or its Affiliates.

Section 10.19 Brokers and Financial Advisors.

(a) Each Borrower hereby represents that, except for BayBridge Real Estate Capital ("***Broker***"), it has dealt with no financial advisors, brokers, underwriters, placement agents, agents or finders in connection with the transactions contemplated by this Agreement. Borrowers will pay Broker a commission pursuant to a separate agreement. Each Borrower shall indemnify, defend and hold Lender harmless from and against any and all claims, liabilities, losses, costs and expenses of any kind (including Lender's attorneys' fees and expenses) in any way relating to or arising out of a claim by any Person (including Broker) that such Person acted on behalf of Borrowers or Lender in connection with the transactions contemplated herein. The provisions of this Section 10.19 shall survive the expiration and termination of this Agreement and the payment of the Obligations.

(b) Notwithstanding anything in clause (a) above to the contrary, Borrowers hereby acknowledge that (i) at Lender's sole discretion, Broker may receive further consideration from Lender relating to the Loan or any other matter for which Lender may elect to compensate Broker pursuant to a separate agreement between Lender and Broker (which compensation may include a one-time payment on the Closing Date, a profit sharing payment and/or ongoing payments from Lender to Broker), (ii) Lender shall have no obligation to disclose to Borrowers the existence of any such agreement or the amount of any such additional consideration paid or to be paid to Broker whether in connection with the Loan or otherwise and (iii) Borrowers have had the opportunity to speak with Broker regarding such additional consideration. Borrowers hereby acknowledge that such additional consideration may create a potential conflict of interest for the Broker in its relationship with Borrowers and/or Guarantors and agrees that (x) Lender is not responsible for any recommendations or advice that Broker has given to Borrowers or Guarantors, (y) Lender and Borrowers (and Guarantors) are dealing at arms'-length with each other in a commercial lending transaction and (z) no fiduciary or other special relationship exists or shall exist between them. Borrowers hereby further agree and acknowledge that Lender has not interfered with Broker's relationship with Borrowers or Guarantors in connection with the transaction contemplated herein and has not caused Broker to breach any duty that it may owe Borrowers or Guarantors.

Section 10.20 Prior Agreements. This Agreement and the other Loan Documents contain the entire agreement of the parties hereto and thereto and their respective affiliates in respect of the transactions contemplated hereby and thereby, and all prior agreements among or between such parties, including any confidentiality agreements or any similar agreements between or among any such parties, whether oral or written, are superseded by the terms of this Agreement and the other Loan Documents.

Section 10.21 Servicer.

(a) At the option of Lender, the Loan may be serviced by a servicer or special servicer (the "***Servicer***") selected by Lender and Lender may delegate all or any portion of its responsibilities under this Agreement and the other Loan Documents to the Servicer pursuant to a servicing agreement (the "***Servicing Agreement***") between Lender and Servicer. Borrowers shall not be responsible for any set-up fees or any other initial costs relating to or arising under the Servicing Agreement. Borrowers shall not be responsible for payment of the monthly master servicing fee due to the Servicer under the Servicing Agreement.

(b) Other than as set forth in Section 10.21(a) above, Borrower shall pay all of the fees and expenses of the Servicer and any reasonable third-party fees and expenses in connection with the Loan, including any prepayments, releases of any Property, approvals under the Loan Documents, requested by Borrowers, other requests under the Loan defeasance, assumption of Borrowers' obligations or modification of the Loan, as well as any fees and expenses in connection with the special servicing or work-out of the Loan or enforcement of the Loan Documents, including special servicing fees, operating or trust advisor fees (if the Loan is a specially serviced loan or in connection with a workout), work-out fees, liquidation fees, attorneys' fees and expenses and other fees and expenses in connection with the modification or restructuring of the Loan. All amounts payable to Lender or Servicer in exercising its rights under this Section 10.21 (including, but not limited to, disbursements, advances and reasonable legal expenses incurred in connection therewith), shall be payable upon demand, secured by this Agreement and interest thereon shall accrue at the Default Rate from the date incurred.

Section 10.22 Joint and Several Liability. Each Borrower shall be jointly and severally liable for payment of the Debt and performance of all other obligations of Borrowers (or any of them) under this Agreement or any other Loan Document.

Section 10.23 Creation of Security Interest. Notwithstanding any other provision set forth in this Agreement, the Note, the Mortgages or any of the other Loan Documents, Lender may at any time create a security interest in all or any portion of its rights under this Agreement, the Note, the Mortgages and any other Loan Document (including the advances owing to it) in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System.

Section 10.24 Regulatory Change; Taxes.

10.24.1 Increased Costs. If as a result of any Regulatory Change or compliance of Lender therewith, the basis of taxation of payments to Lender or any company Controlling Lender of the principal of or interest on the Loan is changed or Lender or the company Controlling Lender shall be subject to (i) any tax, duty, charge or withholding of any kind with respect to this Agreement (excluding federal taxation of the overall net income of Lender or the company Controlling Lender); or (ii) any reserve, special deposit or similar requirements relating to any extensions of credit or other assets of, or any deposits with or other liabilities, of Lender or any company Controlling Lender is imposed, modified or deemed applicable; or (iii) any other condition affecting loans to borrowers subject to LIBOR-based interest rates exists or is imposed on Lender or any company Controlling Lender and Lender determines that, by reason thereof, the cost to Lender or any company Controlling Lender of making, maintaining or extending the Loan to Borrower is increased, or any amount receivable by Lender or any company Controlling Lender hereunder in respect of any portion of the Loan to Borrowers is reduced, in each case by an amount deemed by Lender in good faith to be material (such increases in cost and reductions in amounts receivable being herein called "***Increased Costs***"), then Lender shall provide notice thereof to Borrowers and Borrowers agree that to pay to Lender upon Lender's written request such additional amount or amounts as will compensate Lender or any company Controlling Lender for such Increased Costs to the extent Lender determines that such Increased Costs are allocable to the Loan. If Lender requests compensation under this Section 10.24.1, Lender shall, if requested by notice by Borrower to Lender, furnish to Borrowers a statement setting forth the basis for requesting such compensation and the method for determining the amount thereof.

10.24.2 Special Taxes. Borrowers shall make all payments hereunder free and clear of and without deduction for Special Taxes. If Borrowers shall be required by law to deduct any Special Taxes from or in respect of any sum payable hereunder or under any other Loan Document to Lender, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 10.24.2) Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) Borrowers shall make such deductions, and (iii) Borrowers shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

10.24.3 Other Taxes. In addition, Borrowers agree to pay any present or future stamp or documentary taxes or other excise or property taxes, charges, or similar levies which arise from any payment made hereunder, or from the execution, delivery or registration of, or otherwise with respect to, this Agreement, the other Loan Documents, or the Loan (hereinafter referred to as "***Other Taxes***").

Section 10.25 Assignments and Participations. In addition to any other rights of Lender hereunder, the Loan, the Note, the Loan Documents and/or Lender's rights, title, obligations and interests therein may be sold, assigned, participated or otherwise transferred by Lender and any of its successors and assigns to any Person at any time in its sole and absolute discretion, in whole or in part, whether by operation of law (pursuant to a merger or other successor in interest) or otherwise without notice to or consent from Borrowers or any other Person. Upon such assignment, all references to Lender in this Agreement and in any Loan Document shall be deemed to refer to such assignee or successor in interest and such assignee or successor in interest shall thereafter stand in the place of Lender in all respects. Except as expressly permitted herein, no Borrower may assign its rights, title, interests or obligations under this Agreement or under any of the Loan Documents.

Section 10.26 Cross Default; Cross Collateralization. Each Borrower acknowledges that Lender has made the Loan to Borrowers upon the security of its collective interest in the Properties and in reliance upon the aggregate of the Properties taken together being of greater value as collateral security than the sum of the Properties taken separately. Each Borrower agrees that the Mortgages are and will be cross-collateralized and cross-defaulted with each other so that (i) an Event of Default under any of the Mortgages shall constitute an Event of Default under each of the other Mortgages which secure the Note; (ii) an Event of Default under the Note or this Agreement shall constitute an Event of Default under each Mortgage; and (iii) each Mortgage shall constitute security for the Note as if a single blanket lien were placed on all of the Properties as security for the Note.

Section 10.27 Contribution among Borrowers. Notwithstanding that Borrowers are jointly and severally liable to Lender for payment of the Loan, as among Borrowers, each shall be liable only for such Borrower's Allocated Loan Amount and, accordingly, each Borrower whose Property or other assets are, from time to time, utilized to satisfy a portion of the Debt in excess of such Borrower's Allocated Loan Amount, shall be entitled, commencing 95 days after payment in full of the Debt, to contribution from each of the other Borrowers pro-rata in accordance with their respective liabilities in accordance with this Agreement. This Allocated Loan Amount for each Borrower shall equal the Allocated Loan Amount for the Property owned by such Borrower.

Section 10.28 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

(a) Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among the respective parties thereto, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(i) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(ii) the effects of any Bail-In Action on any such liability, including, if applicable:

(A) a reduction in full or in part or cancellation of any such liability;

(B) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(C) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

(b) As used in this Section 10.28 the following terms have the following meanings ascribed thereto: (i) "***Bail-In Action***" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution; (ii) "***Bail-In Legislation***" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule; (iii) "***EEA Financial Institution***" means (x) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority; (y) any entity established in an EEA Member Country which is a parent of an institution described in clause (x) of this definition, or (x) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (x) or (y) of this definition and is subject to consolidated supervision with its parent; (iv) "***EEA Member Country***" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway or any other member state of the European Economic Area; (v) "***EEA Resolution Authority***" means any public administrative

authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution; (vi) "***EU Bail-In Legislation Schedule***" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time; and (vii) "***Write-Down and Conversion Powers***" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 10.29 **Appraisals**. Lender may, at its option, commission one or more new and/or updated appraisals from time to time after the Closing Date; provided, however, that Borrowers shall only be required to reimburse Lender for such new and/or updated appraisal if (A) an Event of Default is continuing or (B) such appraisal is required by applicable law or regulatory requirements.

Section 10.30 **Counterparts**. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

Section 10.31 **Set-Off**. **In addition to any rights and remedies of Lender provided by this Agreement and by law, Lender shall have the right in its sole discretion, without prior notice to any Borrower, any such notice being expressly waived by each Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by any Borrower hereunder (whether at the stated maturity, by acceleration or otherwise), to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by Lender or any Affiliate thereof to or for the credit or the account of Borrowers; provided however, Lender may only exercise such right during the continuance of an Event of Default. Lender agrees promptly to notify Borrowers after any such set-off and application made by Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application.**

[*NO FURTHER TEXT ON THIS PAGE*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized representatives, all as of the day and year first above written.

LENDER:

DBR INVESTMENTS CO. LIMITED, a Cayman Islands corporation

By: /s/ David Dugh
Name: David Dugh
Title: Director

By: /s/ Paul K. Richardson
Name: Paul K. Richardson
Title: Director

[signatures continue on following page]

BORROWERS:

GIPFL 1300 S DALE MABRY, LLC, a Delaware limited liability company

By: GIP DB SPE, LLC, a Delaware limited liability company, its Sole Member

By: GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership, its Sole Member

By: GENERATION INCOME PROPERTIES, INC., a Maryland corporation, its General Partner

By: /s/ David Sobelman
Name: David Sobelman
Title: President and CEO

GIPDC 3707 14TH ST, LLC, a Delaware limited liability company

By: GIP DB SPE, LLC, a Delaware limited liability company, its Sole Member

By: GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership, its Sole Member

By: GENERATION INCOME PROPERTIES, INC., a Maryland corporation, its General Partner

By: /s/ David Sobelman
Name: David Sobelman
Title: President and CEO

[signatures continue on the next page]

GIPAL JV 15091 SW ALABAMA 20, LLC, a Delaware limited liability company

By: GIP DB SPE, LLC, a Delaware limited liability company, its Sole Member

By: GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership, its Sole Member

By: GENERATION INCOME PROPERTIES, INC., a Maryland corporation, its General Partner

By: /s/ David Sobelman
Name: David Sobelman
Title: President and CEO

SCHEDULE I

RENT ROLLS

(Attached)

SCHEDULE II

REQUIRED REPAIRS

Property	Required Repair Item	Deadline	Cost Estimate	Reserve Deposit Amount (125% of Estimated Cost)
Starbucks, Tampa, FL	Accessibility: Post van signage	90 days after closing	$ 150	$ 187.50
7-11, Washington, DC	Mechanical and Electrical Systems: Test main control panel and post current inspection certificates	90 days after closing	$ 2,500	$ 3,125.00
Pratt & Whitney, Huntsville, AL	Site Improvement: cleanup of paved areas of debris and sedimentation in parking lot areas	90 days after closing	$ 3,000	$ 3,750.00
Pratt & Whitney, Huntsville, AL	Accessibility: One parking space reconfigured to be van accessible	90 days after closing	$ 350	$ 437.50
			Total Reserved:	**$ 7,500.00**

SCHEDULE III

ORGANIZATIONAL CHART

(Attached)

SCHEDULE IV

EXCEPTIONS TO REPRESENTATIONS AND WARRANTIES

NONE

SCHEDULE V

DEFINITION OF SPECIAL PURPOSE BANKRUPTCY REMOTE ENTITY

Each Borrower hereby represents and warrants to, and covenants with, Lender that since the date of its formation and at all times on and after the date hereof and until such time as the Obligations shall be paid and performed in full, except as otherwise expressly permitted by the terms of this Agreement:

(a) Borrower (i) has been, is, and will be organized solely for the purpose of acquiring, developing, owning, holding, selling, leasing, transferring, exchanging, managing and operating the Property, entering into this Agreement with the Lender, refinancing the Property in connection with a permitted repayment of the Loan, and transacting lawful business that is incident, necessary and appropriate to accomplish the foregoing, (ii) has not owned, does not own, and will not own any asset or property other than (A) the Property, and (B) incidental personal property necessary for the ownership or operation of the Property and (iii) has been, is, and will be organized for the purpose of investing the equity capital that was contributed to Borrower by the Sole Member of Borrower in compliance with the provisions of this **Schedule V**. No equity capital was raised by Borrower. For the avoidance of doubt, there has been no direct or indirect commercial activity by the Borrower or a person or entity acting on its behalf to procure the transfer or commitment of capital by the Sole Member of the Borrower for the purpose of investing it in accordance with the provisions of this **Schedule V**

(b) Borrower has not engaged and will not engage in any business other than the ownership, management and operation of the Property and Borrower will conduct and operate its business as presently conducted and operated.

(c) Borrower has not and will not enter into any contract or agreement with any Affiliate of Borrower except upon terms and conditions that are intrinsically fair, commercially reasonable, and no less favorable to it than would be available on an arms-length basis with third parties other than any such party.

(d) Borrower has not incurred and will not incur any Indebtedness other than Permitted Indebtedness. No Indebtedness other than the Debt may be secured (senior, subordinate or *pari passu*) by the Property.

(e) Borrower has not made and will not make any loans or advances to any third party (including any Affiliate or constituent party), and has not and shall not acquire obligations or securities of its Affiliates.

(f) Borrower has been, is, and intends to remain solvent and Borrower has paid and intends to pay its debts and liabilities (including, as applicable, shared personnel and overhead expenses) from its assets; provided that the foregoing shall not require any direct or indirect member, partner or shareholder of Borrower to make any additional capital contributions to Borrower.

(g) Borrower has done or caused to be done, and will do, all things necessary to observe organizational formalities and preserve its existence, and Borrower has not, will not,

nor will Borrower permit any SPC Party to, (i) terminate or fail to comply with the provisions of its organizational documents, or (ii) unless (x) required pursuant to Section 18-202(b) of the Act or (y) (A) Lender has consented and (B) following a Securitization of the Loan, the applicable Rating Agencies have issued a Rating Agency Confirmation in connection therewith, amend, modify or otherwise change its partnership certificate, partnership agreement, articles of incorporation and bylaws, operating agreement, trust or other organizational documents.

(h) Borrower has maintained and will maintain all of its books, records, financial statements and bank accounts separate from those of its Affiliates and any other Person. Borrower's assets will not be listed as assets on the financial statement of any other Person, provided, however, that Borrower's assets may be included in a consolidated financial statement of its Affiliates provided that (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of Borrower and such Affiliates and to indicate that Borrower's assets and credit are not available to satisfy the debts and other obligations of such Affiliates or any other Person, and (ii) such assets shall be listed on Borrower's own separate balance sheet. Borrower will file its own tax returns (to the extent Borrower is required to file any such tax returns) and will not file a consolidated federal income tax return with any other Person. Borrower has maintained and shall maintain its books, records, resolutions and agreements in accordance with this Agreement.

(i) Borrower has been, will be, and at all times has held and will hold itself out to the public as, a legal entity separate and distinct from any other entity (including any Affiliate of Borrower or any constituent party of Borrower), shall correct any known misunderstanding regarding its status as a separate entity, shall conduct business in its own name, shall not identify itself or any of its Affiliates as a division or department or part of the other and shall maintain and utilize separate stationery, invoices and checks bearing its own name.

(j) Borrower has maintained and intends to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations; provided that the foregoing shall not require any direct or indirect member, partner or shareholder of Borrower to make any additional capital contributions to Borrower.

(k) (x) To the fullest extent permitted by applicable law, neither Borrower nor any constituent party of Borrower has sought or will seek or effect the liquidation, dissolution, winding up, division (whether pursuant to Section 18-217 of the Act or otherwise), consolidation or merger, in whole or in part, of Borrower and (y) Borrower has not been the product of, the subject of or otherwise involved in, in each case, any limited liability company division (whether as a plan of division pursuant to Section 18-217 of the Act or otherwise).

(l) Borrower has not and will not commingle the funds and other assets of Borrower with those of any Affiliate or constituent party or any other Person, and has held and will hold all of its assets in its own name.

(m) Borrower has and will maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any Affiliate or constituent party or any other Person.

(n) Borrower has not and will not assume or guarantee or become obligated for the debts of any other Person and does not and will not hold itself out to be responsible for or have its credit available to satisfy the debts or obligations of any other Person.

(o) Each of Borrower's general partner or managing member, as applicable, (each, an "***SPC Party***") shall be a Delaware limited liability company or a corporation formed under the laws of any jurisdiction of the United States whose sole asset is its interest in Borrower and each such SPC Party (i) will cause Borrower to be a Special Purpose Bankruptcy Remote Entity; (ii) will at all times comply with each of the representations, warranties and covenants contained on this **Schedule V** (other than clauses (a), (b), (d) and (y)) as if such representation, warranty or covenant was made directly by such SPC Party; (iii) will not engage in any business or activity other than owning an interest in Borrower; (iv) will not acquire or own any assets other than its partnership or membership interest in Borrower; and (v) will not incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation) other than unsecured trade payables incurred in the ordinary course of business related to the ownership of an interest in Borrower that (A) do not exceed at any one time $10,000.00, and (B) are paid within thirty (30) days after the date incurred. Upon the withdrawal or the disassociation of an SPC Party from Borrower, Borrower shall immediately appoint a new SPC Party whose articles or certificate of formation or incorporation are substantially similar to those of such SPC Party and deliver a new non-consolidation opinion to the Rating Agency or Rating Agencies, as applicable, with respect to the new SPC Party and its equity owners.

(p) The organizational documents of each SPC Party shall provide that at all times there shall be (and Borrower shall at all times cause there to be) at least one (1) duly appointed Independent Director or Independent Manager. In addition, the organizational documents of each SPC Party shall provide that no Independent Director or Independent Manager (as applicable) of such SPC Party may be removed or replaced without Cause and unless such SPC Party provides Lender with not less than three (3) Business Days' prior written notice of (a) any proposed removal of an Independent Director or Independent Manager (as applicable), together with a statement as to the reasons for such removal, and (b) the identity of the proposed replacement Independent Director or Independent Manager (as applicable), together with a certification that such replacement satisfies the requirements set forth in the organizational documents for an Independent Director or Independent Manager (as applicable).

(q) The organizational documents of Borrower and each SPC Party shall also provide an express acknowledgment that Lender is an intended third-party beneficiary of the "special purpose" provisions of such organizational documents.

(r) The organizational documents of each SPC Party shall provide that such SPC Party shall not take any action which, under the terms of any certificate of incorporation, by-laws or any voting trust agreement with respect to any common stock, requires a unanimous vote of the (A) the sole member of such SPC Party (the "***Sole Member***"), (B) the board of directors of such SPC Party or (C) the committee of managers of such SPC Party designated to manage the business affairs of such SPC Party (the "***Committee***"), unless at the time of such action there shall be at least one (1) duly appointed Independent Director or Independent Manager and such Independent Director or Independent Manager (as applicable) has participated in such vote. The organizational documents of each SPC Party shall provide that actions requiring such unanimous

written consent, including the Independent Director or Independent Manager (as applicable), shall include each of the following with respect to such SPC Party and Borrower: (i) filing or consenting to the filing of any petition, either voluntary or involuntary, to take advantage of any applicable insolvency, bankruptcy, liquidation or reorganization statute, (ii) seeking or consenting to the appointment of a receiver, liquidator or any similar official of Borrower or a substantial part of its business, (iii) taking any action that might cause such entity to become insolvent, (iv) making an assignment for the benefit of creditors, (v) admitting in writing its inability to pay debts generally as they become due, (vi) declaring or effectuating a moratorium on the payment of any obligations, or (vii) taking any action in furtherance of the foregoing. In addition, the organizational documents of each SPC Party shall provide that, when voting with respect to any matters set forth in the immediately preceding sentence of this clause (r), the Independent Director or Independent Manager (as applicable) shall consider only the interests of Borrower, including its creditors. No SPC Party shall (on behalf of itself or Borrower) take any of the foregoing actions without the unanimous written consent of its board of directors, its member(s) or the Committee, as applicable, including (or together with) all Independent Director or Independent Manager, as applicable. Without limiting the generality of the foregoing, such documents shall expressly provide that, to the greatest extent permitted by law, except for duties to Borrower (including duties to Borrower's equity holders solely to the extent of their respective economic interests in Borrower and to Borrower's creditors as set forth in the immediately preceding sentence), such Independent Director or Independent Manager (as applicable) shall not owe any fiduciary duties to, and shall not consider, in acting or otherwise voting on any matter for which their approval is required, the interests of (i) the SPC Party or Borrower's other equity holders, (ii) other Affiliates of Borrower, or (iii) any group of Affiliates of which Borrower is a part; provided, however, the foregoing shall not eliminate the implied contractual covenant of good faith and fair dealing.

(s) Notwithstanding anything herein to the contrary, the SPC Party may be a Delaware single-member limited liability company provided that:

(i) the organizational documents of such SPC Party shall provide that, as long as any portion of the Obligations remains outstanding, upon the occurrence of any event that causes the Sole Member of such SPC Party to cease to be a member of such SPC Party (other than (i) upon an assignment by Sole Member of all of its limited liability company interest in SPC Party and the admission of the transferee, if permitted pursuant to the organizational documents of SPC Party and the Loan Documents, or (ii) the resignation of Sole Member and the admission of an additional member of SPC Party, if permitted pursuant to the organizational documents of SPC Party and the Loan Documents), the person acting as an Independent Director or Independent Manager (as applicable) of SPC Party shall, without any action of any Person and simultaneously with Sole Member ceasing to be a member of SPC Party, automatically be admitted as a member of SPC Party (a "***Special Member***") and shall preserve and continue the existence of SPC Party without dissolution or division (whether pursuant to Section 18-217 of the Act or otherwise). The organizational documents of SPC Party shall further provide that for so long as any portion of the Obligations is outstanding, no Special Member may resign or transfer its rights as Special Member unless (i) a successor Special Member has been admitted to SPC Party as a Special Member, and (ii) such successor Special Member has also accepted its appointment as an Independent Director or Independent Manager (as applicable);

(ii) the organizational documents of SPC Party shall provide that, as long as any portion of the Obligations remains outstanding, except as expressly permitted pursuant to the terms of this Agreement, (i) Sole Member may not resign, and (ii) no additional member shall be admitted to SPC Party; and

(iii) the organizational documents of SPC Party shall provide that, as long as any portion of the Obligations remains outstanding: (i) SPC Party shall be dissolved, and its affairs shall be wound up, only upon the first to occur of the following: (A) the termination of the legal existence of the last remaining member of SPC Party or the occurrence of any other event which terminates the continued membership of the last remaining member of SPC Party in SPC Party unless the business of SPC Party is continued in a manner permitted by its operating agreement or the Delaware Limited Liability Company Act (as the same may be amended, modified or replaced, the "***Act***"), or (B) the entry of a decree of judicial dissolution under Section 18-802 of the Act; (ii) upon the occurrence of any event that causes the last remaining member of SPC Party to cease to be a member of SPC Party or that causes Sole Member to cease to be a member of SPC Party (other than (A) upon an assignment by Sole Member of all of its limited liability company interest in SPC Party and the admission of the transferee, if permitted pursuant to the organizational documents of SPC Party and the Loan Documents, or (B) the resignation of Sole Member and the admission of an additional member of SPC Party, if permitted pursuant to the organizational documents of SPC Party and the Loan Documents), to the fullest extent permitted by law, the personal representative of such last remaining member shall be authorized to, and shall, within ninety (90) days after the occurrence of the event that terminated the continued membership of such member in SPC Party, agree in writing (I) to continue the existence of SPC Party, and (II) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of SPC Party, effective as of the occurrence of the event that terminated the continued membership of such member in SPC Party; (iii) the bankruptcy of Sole Member or a Special Member shall not cause such Sole Member or Special Member, respectively, to cease to be a member of SPC Party and upon the occurrence of such an event, the business of SPC Party shall continue without dissolution or division (whether pursuant to Section 18-217 of the Act or otherwise); (iv) in the event of the dissolution of SPC Party, SPC Party shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of SPC Party in an orderly manner), and the assets of SPC Party shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act; (v) to the fullest extent permitted by law, each of Sole Member and the Special Members shall irrevocably waive any right or power that they might have to cause SPC Party or any of its assets to be partitioned, to cause the appointment of a receiver for all or any portion of the assets of SPC Party, to compel any sale of all or any portion of the assets of SPC Party pursuant to any applicable law or to file a complaint or to institute any proceeding at law or in equity to cause the dissolution, division (whether pursuant to Section 18-217 of the Act or otherwise), liquidation, winding up or termination of SPC Party and (vi) SPC Party shall be prohibited from effectuating a division, whether pursuant to Section 18-217 of the Act (if such entity is a Delaware limited liability company) or otherwise.

(t) Borrower hereby covenants and agrees that it will comply with or cause the compliance with, (i) all of the representations, warranties and covenants in this **Schedule V**, and (ii) all of the organizational documents of Borrower and any SPC Party.

(u) Borrower has not permitted and will not permit any Affiliate or constituent party independent access to its bank accounts.

(v) Borrower has paid and intends to pay its own liabilities and expenses, including the salaries of its own employees (if any) from its own funds, and has maintained and shall maintain a sufficient number of employees (if any) in light of its contemplated business operations; provided that the foregoing shall not require any direct or indirect member, partner or shareholder of Borrower to make any additional capital contributions to Borrower.

(w) Borrower has compensated and shall compensate each of its consultants and agents from its funds for services provided to it and pay from its own assets all obligations of any kind incurred; provided that the foregoing shall not require any direct or indirect member, partner or shareholder of Borrower to make any additional capital contributions to Borrower.

(x) Borrower has allocated and will allocate fairly and reasonably any overhead expenses that are shared with any Affiliate, including shared office space.

(y) Except in connection with the Loan, Borrower has not pledged and will not pledge its assets for the benefit of any other Person.

(z) Borrower has and will have no obligation to indemnify its officers, directors, members or partners, as the case may be, or has such an obligation that is fully subordinated to the Debt and will not constitute a claim against it if cash flow in excess of the amount required to pay the Debt is insufficient to pay such obligation.

(aa) if such Borrower is (i) a limited liability company, has articles of organization, a certificate of formation and/or an operating agreement, as applicable, (ii) a limited partnership, has a limited partnership agreement, or (iii) a corporation, has a certificate of incorporation or articles that, in each case, provide that such entity (I) will not (A) dissolve, divide (whether pursuant to Section 18-217 of the Act or otherwise), merge, liquidate, consolidate; (B) sell, transfer, dispose, or encumber (except with respect to the Loan Documents) all or substantially all of its assets or acquire all or substantially all of the assets of any Person; or (C) engage in any other business activity, or amend its organizational documents with respect to the matters set forth on this **Schedule V** without the consent of the Lender and (II) shall not have the power to effectuate a division, whether pursuant to Section 18-217 of the Act (if such entity is a Delaware limited liability company) or otherwise.

(bb) Borrower has not, does not, and will not have any of its obligations guaranteed by an Affiliate (other than from the Guarantors with respect to the Loan).

As used herein:

"***Cause***" shall mean, with respect to an Independent Director or Independent Manager, (i) acts or omissions by such Independent Director or Independent Manager, as applicable, that constitute willful disregard of, or gross negligence with respect to, such Independent Director's or Independent Manager's, as applicable, duties, (ii) such Independent Director or Independent Manager, as applicable, has engaged in or has been charged with or has been indicted or convicted for any crime or crimes of fraud or other acts constituting a crime under any law applicable to such Independent Director or Independent Manager, as applicable, (iii) such Independent Director or Independent Manager, as applicable, has breached its fiduciary duties of loyalty and care as and to the extent of such duties in accordance with the terms of Borrower's or SPC Party's organizational documents, (iv) there is a material increase in the fees charged by such Independent Director or Independent Manager, as applicable, or a material change to such Independent Director's or Independent Manager's, as applicable, terms of service, (v) such Independent Director or Independent Manager, as applicable, is unable to perform his or her duties as Independent Director or Independent Manager, as applicable, due to death, disability or incapacity, or (vi) such Independent Director or Independent Manager, as applicable, no longer meets the definition of Independent Director or Independent Manager, as applicable.

"***Independent Director***" or "***Independent Manager***" shall mean a natural person selected by Borrower (a) with prior experience as an independent director, independent manager or independent member, (b) with at least three (3) years of employment experience, (c) who is provided by a Nationally Recognized Service Company, (d) who is duly appointed as an Independent Director or Independent Manager and is not, will not be while serving as Independent Director or Independent Manager (except pursuant to an express provision in Borrower's operating agreement providing for the appointment of such Independent Director or Independent Manager to become a "special member" upon the last remaining member of Borrower ceasing to be a member of Borrower) and shall not have been at any time during the preceding five (5) years, any of the following:

(i) a stockholder, director (other than as an Independent Director), officer, employee, partner, attorney or counsel of Borrower, any Affiliate of Borrower or any direct or indirect parent of Borrower;

(ii) a customer, supplier or other Person who derives any of its purchases or revenues from its activities with Borrower or any Affiliate of Borrower;

(iii) a Person or other entity Controlling or under Common Control with any such stockholder, partner, customer, supplier or other Person described in clause (i) or clause (ii) above; or

(iv) a member of the immediate family of any such stockholder, director, officer, employee, partner, customer, supplier or other Person described in clause (i) or clause (ii) above.

A natural person who otherwise satisfies the foregoing definition and satisfies subparagraph (i) by reason of being the Independent Director or Independent Manager of a "special purpose entity" affiliated with Borrower shall be qualified to serve as an Independent Director or Independent

Manager of Borrower, provided that the fees that such individual earns from serving as Independent Director or Independent Manager of affiliates of Borrower in any given year constitute in the aggregate less than five percent (5%) of such individual's annual income for that year.

A natural person who satisfies the foregoing definition other than clause (ii) shall not be disqualified from serving as an Independent Director or Independent Manager of Borrower if such individual is an independent director, independent manager or special manager provided by a Nationally Recognized Service Company that provides professional independent directors, independent managers and special managers and also provides other corporate services in the ordinary course of its business.

"***Nationally Recognized Service Company***" shall mean any of CT Corporation, Corporation Service Company, National Registered Agents, Inc., Wilmington Trust Company, National Corporate Research, Ltd., United Corporate Services, Inc., Independent Member Services LLC or such other nationally recognized company that provides independent director, independent manager or independent member services and that is reasonably satisfactory to Lender, in each case that is not an Affiliate of Borrower and that provides professional independent directors and other corporate services in the ordinary course of its business.

SCHEDULE VI

INTELLECTUAL PROPERTY/WEBSITES

NONE

SCHEDULE VII

LOCATION OF PROPERTIES AND ALLOCATED LOAN AMOUNTS

Property	Allocated Loan Amount
3707 14th Street NW, Washington, DC (the "***DC Property***")	$ 1,912,500.00
1300 South Dale Mabry Highway, Tampa, Florida (the "***Florida Property***")	$ 2,625,000.00
15091 Alabama Highway 20, Huntsville, Alabama (the "***Alabama Property***")	$ 6,750,000.00

SCHEDULE VIII

DESCRIPTION OF REA

- AVIGATION AND HAZARD EASEMENT, dated July 31, 2000, recorded in the Limestone County, Alabama Office of the Judge of Probate, at RLPY 2000 26697, granted by Charles W. Daniel, Richard T. Darden, and George L. McCrary to The Huntsville-Madison County Airport Authority, an Alabama public corporation, and its successors and assigns.

SCHEDULE IX

CONDO ASSOCIATION BOARD OF DIRECTORS

1. Heidi Abbasi
2. Kelsey Moncrief
3. Adela Martinez

SCHEDULE X

PERMITTED CONDO AMENDMENT

(Attached hereto)

EXHIBIT A

CONDOMINIUM UNIT DESCRIPTION

EXHIBIT B

Secondary Market Transaction Information

(A) Any proposed program for the renovation, improvement or development of each Property, or any part thereof, including the estimated cost thereof and the method of financing to be used.

(B) The general competitive conditions to which each Property is or may be subject.

(C) Management of each Property.

(D) Occupancy rate expressed as a percentage for each of the last five years.

(E) Principal business, occupations and professions carried on in, or from each Property.

(F) Number of Tenants occupying 10% or more of the total rentable square footage of each Property and principal nature of business of such Tenant, and the principal provisions of the leases with those Tenants including, but not limited to: rental per annum, expiration date, and renewal options.

(G) The average effective annual rental per square foot or unit for each of the last three years prior to the date of filing.

(H) Schedule of the lease expirations for each of the ten years starting with the year in which the registration statement is filed (or the year in which the prospectus supplement is dated, as applicable), stating:

(1) The number of Tenants whose leases will expire.

(2) The total area in square feet covered by such leases.

(3) The annual rental represented by such leases.

(4) The percentage of gross annual rental represented by such leases.

Exhibit 10.27

GUARANTY OF RECOURSE OBLIGATIONS

This **GUARANTY OF RECOURSE OBLIGATIONS** (this "***Guaranty***") is executed as of February 11, 2020 by **DAVID SOBELMAN**, an individual, having an address at 3117 W. Oaklyn Avenue, Tampa, Florida 33609 ("***Sobelman***"), and **GENERATION INCOME PROPERTIES, L.P.**, a Delaware limited partnership, having an address at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602 ("***GIP LP***") (each of the foregoing, a "***Guarantor***", and collectively, "***Guarantors***"), for the benefit of **DBR INVESTMENTS CO. LIMITED**, a Cayman Islands corporation, having an address at 60 Wall Street, 10th Floor, New York, New York 10005 (together with its successors and/or assigns, "***Lender***").

W I T N E S S E T H:

A. Pursuant to that certain Promissory Note, dated of even date herewith, executed by **GIPFL 1300 S DALE MABRY, LLC**, a Delaware limited liability company, **GIPDC 3707 14TH ST, LLC**, a Delaware limited liability company, and **GIPAL JV 15091 SW ALABAMA 20, LLC**, a Delaware limited liability company (collectively, "***Borrower***") and payable to the order of Lender in the original principal amount of Eleven Million Two Hundred Eighty Seven Thousand Five Hundred and 00/100 Dollars ($11,287,500.00) (together with all renewals, modifications, increases and extensions thereof, the "***Note***"), Borrower has become indebted, and may from time to time be further indebted, to Lender with respect to a loan (the "***Loan***") which is made pursuant to that certain Loan Agreement, dated of even date herewith, between Borrower and Lender (as the same may be amended, modified, supplemented, replaced or otherwise modified from time to time, the "***Loan Agreement***"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

B. Lender is not willing to make the Loan, or otherwise extend credit, to Borrower unless Guarantors unconditionally guarantee the payment and performance to Lender of the Guaranteed Obligations (as herein defined).

C. Guarantors are the owners of direct or indirect interests in Borrower, and each Guarantor will directly benefit from Lender's making the Loan to Borrower.

NOW, THEREFORE, as an inducement to Lender to make the Loan to Borrower and to extend such additional credit as Lender may from time to time agree to extend under the Loan Documents, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE 1
NATURE AND SCOPE OF GUARANTY

Section 1.1 Guaranty of Obligation.

(a) Each Guarantor hereby irrevocably and unconditionally guarantees to Lender and its successors and assigns the payment and performance of the Guaranteed Obligations (as defined below) as and when the same shall be due and payable, whether by lapse of time, by acceleration of maturity or otherwise. Each Guarantor hereby irrevocably and unconditionally covenants and agrees that it is liable for the Guaranteed Obligations as a primary obligor.

(b) As used herein, the term "***Guaranteed Obligations***" means (i) Borrower's Recourse Liabilities, (ii) from and after the date that any Springing Recourse Event occurs, payment and performance of all of the Obligations, (iii) the due and punctual payment in full (and not merely the collectability) of an amount equal to any PACE Loan obtained by Borrower or secured by the Property and (iv) Borrowers' Additional Recourse Liabilities.

(c) Notwithstanding anything to the contrary in this Guaranty or in any of the other Loan Documents, Lender shall not be deemed to have waived any right which Lender may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of the Obligations or to require that all collateral shall continue to secure all of the Obligations owing to Lender in accordance with the Loan Documents.

Section 1.2 **Nature of Guaranty**. This Guaranty is an irrevocable, absolute, continuing guaranty of payment and performance and not a guaranty of collection. This Guaranty may not be revoked by any Guarantor and shall continue to be effective with respect to any Guaranteed Obligations arising or created after any attempted revocation by any Guarantor and after (if such Guarantor is a natural person) such Guarantor's death (in which event this Guaranty shall be binding upon such Guarantor's estate and such Guarantor's legal representatives and heirs). The fact that at any time or from time to time the Guaranteed Obligations may be increased or reduced shall not release or discharge the obligation of any Guarantor to Lender with respect to the Guaranteed Obligations. This Guaranty may be enforced by Lender and any subsequent holder of the Note and shall not be discharged by the assignment or negotiation of all or part of the Note.

Section 1.3 **Guaranteed Obligations Not Reduced by Offset**. The Guaranteed Obligations and the liabilities and obligations of Guarantors to Lender hereunder shall not be reduced, discharged or released because or by reason of any existing or future offset, claim or defense of Borrower or any other party against Lender or against payment of the Guaranteed Obligations, whether such offset, claim or defense arises in connection with the Guaranteed Obligations (or the transactions creating the Guaranteed Obligations) or otherwise.

Section 1.4 **Payment By Guarantors**. If all or any part of the Guaranteed Obligations is or shall give rise to a monetary obligation, and such monetary obligation shall not be punctually paid when due, whether at demand, maturity, acceleration or otherwise, Guarantors shall, immediately upon demand by Lender and without presentment, protest, notice of protest, notice of non-payment, notice of intention to accelerate the maturity, notice of acceleration of the maturity or any other notice whatsoever, all such notices being hereby waived by Guarantors, pay in lawful money of the United States of America, the amount due on the Guaranteed Obligations to Lender at Lender's address as set forth herein. Such demand(s) may be made at any time coincident with or after the time for payment of all or part of the Guaranteed Obligations and may be made from time to time with respect to the same or different items of Guaranteed Obligations. Such demand shall be deemed made, given and received in accordance with the notice provisions hereof.

Section 1.5 **No Duty To Pursue Others**. It shall not be necessary for Lender (and each Guarantor hereby waives any rights which such Guarantor may have to require Lender), in order to enforce the obligations of Guarantors hereunder, first to (i) institute suit or exhaust its remedies against Borrower or others liable on the Loan or the Guaranteed Obligations or any other Person, (ii) enforce Lender's rights against any collateral which shall ever have been given to secure the Loan, (iii) enforce Lender's rights against any other guarantors of the Guaranteed Obligations, (iv) join Borrower or any others liable on the Guaranteed Obligations in any action seeking to enforce this Guaranty, (v) exhaust any remedies available to Lender against any collateral which shall ever have been given to secure the Loan, or (vi) resort to any other means of obtaining payment of the Guaranteed Obligations. Lender shall not be required to mitigate damages or take any other action to reduce, collect or enforce the Guaranteed Obligations.

Section 1.6 **Waivers**. Each Guarantor agrees to the provisions of the Loan Documents and hereby waives notice of (i) any loans or advances made by Lender to Borrower, (ii) acceptance of this Guaranty, (iii) any amendment or extension of the Note, the Mortgage, the Loan Agreement or any other Loan Document, (iv) the execution and delivery by Borrower and Lender of any other loan or credit agreement or of Borrower's execution and delivery of any promissory note or other document arising under the Loan Documents or in connection with the Property, (v) the occurrence of (A) any breach by Borrower of any of the terms or conditions of the Loan Agreement or any of the other Loan Documents, or (B) an Event of Default, (vi) Lender's transfer or disposition of the Guaranteed Obligations, or any part thereof, (vii) the sale or foreclosure (or the posting or advertising for the sale or foreclosure) of any collateral for the Guaranteed Obligations, (viii) protest, proof of non-payment or default by Borrower, or (ix) any other action at any time taken or omitted by Lender and, generally, all demands and notices of every kind in connection with this Guaranty, the Loan Documents, any documents or agreements evidencing, securing or relating to any of the Guaranteed Obligations and/or the obligations hereby guaranteed.

Section 1.7 **Payment of Expenses**. In the event that any Guarantor shall breach or fail to timely perform any provisions of this Guaranty, Guarantors shall, immediately upon demand by Lender, pay Lender all costs and expenses (including court costs and reasonable attorneys' fees) incurred by Lender in the enforcement hereof or the preservation of Lender's rights hereunder, together with interest thereon at the Default Rate from the date requested by Lender until the date of payment to Lender. The covenant contained in this Section shall survive the payment and performance of the Guaranteed Obligations.

Section 1.8 **Effect of Bankruptcy**. In the event that pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law or any judgment, order or decision thereunder, Lender must rescind or restore any payment or any part thereof received by Lender in satisfaction of the Guaranteed Obligations, as set forth herein, any prior release or discharge from the terms of this Guaranty given to Guarantors by Lender shall be without effect and this Guaranty shall remain (or shall be reinstated to be) in full force and effect. It is the intention of Borrower and Guarantors that Guarantors' obligations hereunder shall not be discharged except by Guarantors' performance of such obligations and then only to the extent of such performance.

Section 1.9 **Waiver of Subrogation, Reimbursement and Contribution**. Notwithstanding anything to the contrary contained in this Guaranty, each Guarantor hereby unconditionally and irrevocably waives, releases and abrogates any and all rights it may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantors to the rights of Lender), to assert any claim against or seek contribution, indemnification or any other form of reimbursement from Borrower or any other party liable for the payment of any or all of the Guaranteed Obligations or any payment made by Guarantors under or in connection with this Guaranty or otherwise.

ARTICLE 2
EVENTS AND CIRCUMSTANCES NOT REDUCING OR DISCHARGING GUARANTORS' OBLIGATIONS

Each Guarantor hereby consents and agrees to each of the following and agrees that such Guarantor's obligations under this Guaranty shall not be released, diminished, impaired, reduced or adversely affected by any of the following and waives any common law, equitable, statutory or other rights (including, without limitation, rights to notice) which such Guarantor might otherwise have as a result of or in connection with any of the following:

Section 2.1 **Modifications**. Any renewal, extension, increase, modification, alteration or rearrangement of all or any part of the Guaranteed Obligations, the Note, the Mortgage, the Loan Agreement, the other Loan Documents or any other document, instrument, contract or understanding between Borrower and Lender or any other parties pertaining to the Guaranteed Obligations or any failure of Lender to notify Guarantors of any such action.

Section 2.2 **Adjustment**. Any adjustment, indulgence, forbearance or compromise that might be granted or given by Lender to Borrower or any Guarantor.

Section 2.3 **Condition of Borrower or Guarantors**. The insolvency, bankruptcy, arrangement, adjustment, composition, liquidation, disability, dissolution or lack of power of Borrower, any Guarantor or any other Person at any time liable for the payment of all or part of the Guaranteed Obligations; or any dissolution of Borrower or any Guarantor or any sale, lease or transfer of any or all of the assets of Borrower or any Guarantor or any changes in the direct or indirect shareholders, partners or members, as applicable, of Borrower or any Guarantor; or any reorganization of Borrower or any Guarantor.

Section 2.4 **Invalidity of Guaranteed Obligations**. The invalidity, illegality or unenforceability of all or any part of the Guaranteed Obligations or any document or agreement executed in connection with the Guaranteed Obligations for any reason whatsoever, including, without limitation, the fact that (i) the Guaranteed Obligations or any part thereof exceeds the amount permitted by law, (ii) the act of creating the Guaranteed Obligations or any part thereof is ultra vires, (iii) the officers or representatives executing the Note, the Mortgage, the Loan Agreement or the other Loan Documents or otherwise creating the Guaranteed Obligations acted in excess of their authority, (iv) the Guaranteed Obligations violate applicable usury laws, (v) the Borrower has valid defenses, claims or offsets (whether at law, in equity or by agreement) which render the Guaranteed Obligations wholly or partially uncollectible from Borrower, (vi) the creation, performance or repayment of the Guaranteed Obligations (or the execution, delivery

and performance of any document or instrument representing part of the Guaranteed Obligations or executed in connection with the Guaranteed Obligations or given to secure the repayment of the Guaranteed Obligations) is illegal, uncollectible or unenforceable, or (vii) the Note, the Mortgage, the Loan Agreement or any of the other Loan Documents have been forged or otherwise are irregular or not genuine or authentic, it being agreed that Guarantors shall remain liable hereon regardless of whether Borrower or any other Person be found not liable on the Guaranteed Obligations or any part thereof for any reason.

Section 2.5 **Release of Obligors**. Any full or partial release of the liability of Borrower for the Guaranteed Obligations or any part thereof, or of any co-guarantors, or of any other Person now or hereafter liable, whether directly or indirectly, jointly, severally, or jointly and severally, to pay, perform, guarantee or assure the payment of the Guaranteed Obligations, or any part thereof, it being recognized, acknowledged and agreed by each Guarantor that such Guarantor may be required to pay the Guaranteed Obligations in full without assistance or support from any other Person, and no Guarantor has been induced to enter into this Guaranty on the basis of a contemplation, belief, understanding or agreement that other Persons (including Borrower) will be liable to pay or perform the Guaranteed Obligations or that Lender will look to other Persons (including Borrower) to pay or perform the Guaranteed Obligations.

Section 2.6 **Other Collateral**. The taking or accepting of any other security, collateral or guaranty, or other assurance of payment, for all or any part of the Guaranteed Obligations.

Section 2.7 **Release of Collateral**. Any release, surrender, exchange, subordination, deterioration, waste, loss or impairment (including, without limitation, negligent, willful, unreasonable or unjustifiable impairment) of any collateral, property or security at any time existing in connection with, or assuring or securing payment of, all or any part of the Guaranteed Obligations.

Section 2.8 **Care and Diligence**. The failure of Lender or any other party to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of any collateral, property or security, including, but not limited to, any neglect, delay, omission, failure or refusal of Lender (i) to take or prosecute any action for the collection of any of the Guaranteed Obligations, or (ii) to foreclose, or initiate any action to foreclose, or, once commenced, prosecute to completion any action to foreclose upon any security therefor, or (iii) to take or prosecute any action in connection with any instrument or agreement evidencing or securing all or any part of the Guaranteed Obligations.

Section 2.9 **Unenforceability**. The fact that any collateral, security, security interest or lien contemplated or intended to be given, created or granted as security for the repayment of the Guaranteed Obligations, or any part thereof, shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other security interest or lien, it being recognized and agreed by each Guarantor that such Guarantor is not entering into this Guaranty in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectibility or value of any of the collateral for the Guaranteed Obligations.

Section 2.10 **Offset**. Any existing or future right of offset, claim or defense of Borrower against Lender, or any other party, or against payment of the Guaranteed Obligations, whether such right of offset, claim or defense arises in connection with the Guaranteed Obligations (or the transactions creating the Guaranteed Obligations) or otherwise.

Section 2.11 **Merger**. The reorganization, merger or consolidation of Borrower or any Guarantor into or with any other Person.

Section 2.12 **Preference**. Any payment by Borrower to Lender is held to constitute a preference under the Bankruptcy Code or for any reason Lender is required to refund such payment or pay such amount to Borrower or to any other Person.

Section 2.13 **Other Actions Taken or Omitted**. Any other action taken or omitted to be taken with respect to the Loan Documents, the Guaranteed Obligations or the security and collateral therefor, whether or not such action or omission prejudices Guarantors or increases the likelihood that Guarantors will be required to pay the Guaranteed Obligations pursuant to the terms hereof, it being the unambiguous and unequivocal intention of Guarantors that such Guarantors shall be obligated to pay the Guaranteed Obligations when due, notwithstanding any occurrence, circumstance, event, action or omission whatsoever, whether contemplated or uncontemplated, and whether or not otherwise or particularly described herein, which obligation shall be deemed satisfied only upon the full and final payment and satisfaction of the Guaranteed Obligations.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

To induce Lender to enter into the Loan Documents and to extend credit to Borrower, each Guarantor represents and warrants to Lender as follows:

Section 3.1 **Benefit**. Each Guarantor is an Affiliate of Borrower, is the owner of a direct or indirect interest in Borrower and has received, or will receive, direct or indirect benefit from the making of this Guaranty with respect to the Guaranteed Obligations.

Section 3.2 **Familiarity and Reliance**. Each Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of Borrower and is familiar with the value of any and all collateral intended to be created as security for the payment of the Note or Guaranteed Obligations; however, such Guarantor is not relying on such financial condition or the collateral as an inducement to enter into this Guaranty.

Section 3.3 **No Representation By Lender**. Neither Lender nor any other party has made any representation, warranty or statement to any Guarantor in order to induce such Guarantor to execute this Guaranty.

Section 3.4 **Each Guarantor's Financial Condition**. As of the date hereof, and after giving effect to this Guaranty and the contingent obligation evidenced hereby, each Guarantor (a) is and intends to be solvent, (b) has and intends to have assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities) and debts, and (c) has and intends to have property and assets sufficient to satisfy and repay its obligations and liabilities, including the Guaranteed Obligations.

Section 3.5 **Organization**. GIP LP is duly organized, validly existing and in good standing with full power and authority to own its assets and conduct its business, and is duly qualified and in good standing in all jurisdictions in the jurisdiction in which the ownership or lease of its property or the conduct of its business requires such qualification. GIP LP has taken all necessary action to authorize the execution, delivery and performance of this Guaranty and the other Loan Documents to which it is a party, and has the power and authority to execute, deliver and perform under this Guaranty, the other Loan Documents to which it is a party and all the transactions contemplated hereby and thereby.

Section 3.6 **Proceedings; Enforceability**. This Guaranty and the other Loan Documents to which each Guarantor is a party have been duly authorized, executed and delivered by each Guarantor and constitute a legal, valid and binding obligation of each Guarantor, enforceable against such Guarantor in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Neither this Guaranty nor any other Loan Document to which any Guarantor is a party is subject to any right of rescission, set-off, counterclaim or defense by any Guarantor, including the defense of usury, nor would the operation of any of the terms of this Guaranty or such other Loan Documents, or the exercise of any right hereunder or thereunder, render this Guaranty or such other Loan Documents unenforceable, and Guarantor has not asserted any right of rescission, set-off, counterclaim or defense with respect thereto.

Section 3.7 **Legality**. The execution, delivery and performance by each Guarantor of this Guaranty and the other Loan Documents to which each Guarantor is a party, and the consummation of the transactions contemplated hereunder and thereunder, do not and will not contravene or conflict with any law, statute or regulation whatsoever to which such Guarantor is subject, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the breach of, any indenture, mortgage, charge, lien, contract, agreement or other instrument to which such Guarantor is a party or which may be applicable to such Guarantor.

Section 3.8 **Consents**. No consent, approval, authorization or order of any court or Governmental Authority is required for the execution, delivery and performance by Guarantor of, or compliance by Guarantor with, this Guaranty or the other Loan Documents to which each Guarantor is a party, or the consummation of the transactions contemplated hereby or thereby, other than those which have been obtained by Guarantor.

Section 3.9 **Litigation; Full and Accurate Disclosure**. There is no action, suit, proceeding or investigation pending or, to the best of any Guarantor's knowledge, threatened against any Guarantor in any court or by or before any other Governmental Authority which, if adversely determined, might materially and adversely affect the condition (financial or otherwise) or business of such Guarantor (including the ability of such Guarantor to carry out the obligations contemplated by this Guaranty). There is no material fact presently known to

Guarantor which has not been disclosed to Lender which adversely affects, nor as far as Guarantor can foresee, might adversely affect, the Property, the business, operations or condition (financial or otherwise) of Borrower or Guarantors, including any Lease Sweep Lease or any Tenant under any Lease Sweep Lease.

Section 3.10 **Survival**. All representations and warranties made by each Guarantor herein shall survive the execution hereof.

ARTICLE 4
SUBORDINATION OF CERTAIN INDEBTEDNESS

Section 4.1 **Subordination of All Guarantor Claims**. As used herein, the term "***Guarantor Claims***" shall mean all debts and liabilities of Borrower to Guarantors, whether such debts and liabilities now exist or are hereafter incurred or arise, and whether the obligations of Borrower thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be, created, or the manner in which they have been, or may hereafter be, acquired by Guarantors. The Guarantor Claims shall include, without limitation, all rights and claims of Guarantors against Borrower (arising as a result of subrogation or otherwise) as a result of Guarantors' payment of all or a portion of the Guaranteed Obligations. So long as any portion of the Obligations or the Guaranteed Obligations remain outstanding, no Guarantor shall receive or collect, directly or indirectly, from Borrower or any other Person any amount upon the Guarantor Claims.

Section 4.2 **Claims in Bankruptcy**. In the event of any receivership, bankruptcy, reorganization, arrangement, debtor's relief or other insolvency proceeding involving any Guarantor as a debtor, Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon Guarantor Claims. Each Guarantor hereby assigns such dividends and payments to Lender. Should Lender receive, for application against the Guaranteed Obligations, any dividend or payment which is otherwise payable to any Guarantor and which, as between Borrower and Guarantors, shall constitute a credit against the Guarantor Claims, then, upon payment to Lender in full of the Obligations and the Guaranteed Obligations, such Guarantor shall become subrogated to the rights of Lender to the extent that such payments to Lender on the Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if Lender had not received dividends or payments upon the Guarantor Claims.

Section 4.3 **Payments Held in Trust**. Notwithstanding anything to the contrary contained in this Guaranty, in the event that any Guarantor should receive any funds, payments, claims and/or distributions which are prohibited by this Guaranty, such Guarantor agrees to hold in trust for Lender an amount equal to the amount of all funds, payments, claims and/or distributions so received, and agrees that it shall have absolutely no dominion over the amount of such funds, payments, claims and/or distributions so received except to pay such funds, payments, claims and/or distributions promptly to Lender, and such Guarantor covenants promptly to pay the same to Lender.

Section 4.4 **Liens Subordinate**. Each Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Guaranteed Obligations, regardless of whether such encumbrances in favor of Guarantors or Lender presently exist or are hereafter created or attach. Without the prior written consent of Lender, no Guarantor shall (i) exercise or enforce any creditor's rights it may have against Borrower, or (ii) foreclose, repossess, sequester or otherwise take steps or institute any action or proceedings (judicial or otherwise, including, without limitation, the commencement of, or the joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any liens, mortgages, deeds of trust, security interests, collateral rights, judgments or other encumbrances on the assets of Borrower held by any Guarantor. The foregoing shall in no manner vitiate or amend, nor be deemed to vitiate or amend, any prohibition in the Loan Documents against Borrower granting liens or security interests in any of its assets to any Person other than Lender.

ARTICLE 5
COVENANTS

Section 5.1 **Definitions**. As used in this Article 5, the following terms shall have the respective meanings set forth below:

(a) "***Eligible Institution***" shall mean a depository institution or trust company insured by the Federal Deposit Insurance Corporation the short term unsecured debt obligations or commercial paper of which are rated at least "A-1" by S&P, "P-1" by Moody's and "F1" by Fitch (and the long term unsecured debt obligations of such depository institution are rated at least "A" by Fitch) in the case of accounts in which funds are held for thirty (30) days or less or, in the case of accounts in which funds are held for more than thirty (30) days, the long term unsecured debt obligations of which are rated at least (i) "A" by S&P, (ii) "A" by Fitch (and the short term deposits or short term unsecured debt obligations or commercial paper of such depository institution are rated no less than "F1" by Fitch), and (iii) "A2" by Moody's, or in the case of Letters of Credit, the long term unsecured debt obligations of which are rated at least (i) "A+" by S&P, (ii) "A+" by Fitch (and the short term deposits or short term unsecured debt obligations or commercial paper of such depository institution are rated no less than "F1" by Fitch) and (iii) "A1" by Moody's.

(b) "***GAAP***" shall mean generally accepted accounting principles, consistently applied.

(c) "***Liquid Asset***" shall mean any of the following, but only to the extent owned individually and located in the United States or Canada, free of all security interests, liens, pledges, charges or any other encumbrance: (a) cash in United States dollars, (b) certificates of deposit issued by, or savings account with, any bank or other financial institution reasonably acceptable to Lender (provided, however, certificates of deposit with a maturity of

more than two years shall be issued by an Eligible Institution) or (c) marketable securities listed on a national or international exchange reasonably acceptable to Lender, marked to market; provided that Liquid Assets shall not include any asset that is a part of the Property or that is otherwise part of the collateral for the Loan.

(d) "***Net Worth***" shall mean, as of a given date, (i) a Guarantor's total assets located in the United States or Canada as of such date (exclusive of any interest in the Property or in any other asset that is part of the collateral for the Loan) less (ii) such Guarantor's total liabilities (taking into consideration contingent liabilities but exclusive of (x) any liability under the Loan Documents and (y) liabilities such as non-recourse carveout guaranties similar to this Guaranty (including, without limitation, completion guaranties, carry guaranties and environmental indemnities) to the extent demand for payment has not been made thereunder) as of such date, determined in accordance with GAAP.

Section 5.2 **Covenants**. Until all of the Obligations and the Guaranteed Obligations have been paid in full, (i) the Guarantors, collectively and in the aggregate, shall maintain (x) a Net Worth of not less than $10,000,000.00 (the "***Net Worth Threshold***") and (y) Liquid Assets of not less than $2,000,000.00 (the "**Liquid Assets Threshold**") and (ii) no Guarantor shall sell, pledge, mortgage or otherwise transfer any of its assets, or any interest therein, on terms materially less favorable than would be obtained in an arms-length transaction, except (x) as related to or in connection with the estate planning of Sobelman (1) to Sobelman's spouse and the descendants of Sobelman (or to partnerships, limited liability companies, or any other entities controlled by one or more of such family members) or (2) to a trust for the benefit of such family members, (y) charitable gifts or (z) familial gifts; provided, however, no Guarantor shall sell, pledge, mortgage or otherwise transfer any of its assets, or any interest therein, if such transaction would cause the collective Net Worth of Guarantors to fall below the Net Worth Threshold or the collective Liquid Assets of Guarantors to fall below the Liquid Assets Threshold. Notwithstanding anything to the contrary contained in the foregoing, the Liquid Assets Threshold shall be reduced to $1,128,750.00 from and after the date upon which Lender shall have received the Permitted Condo Amendment and all other terms and conditions set forth in Section 4.35(c) of the Loan Agreement shall have been satisfied in connection therewith.

Section 5.3 **Prohibited Transactions**. No Guarantor shall, at any time while a default in the payment of the Guaranteed Obligations has occurred and is continuing, either (i) enter into or effectuate any transaction with any Affiliate on terms materially less favorable than would be obtained in an arms-length transaction or (ii) sell, pledge, mortgage or otherwise transfer to any Person any of Guarantor's assets, or any interest therein.

Section 5.4 **Financial Statements**.

(a) GIP LP shall deliver to Lender:

(i) within ninety (90) days after the end of each fiscal year of such Guarantor, a complete copy of such Guarantor's annual financial statements, prepared in accordance with GAAP and the requirements of Regulation AB, including statements of income and expense and cash flow and a balance sheet for such Guarantor, together with a certificate of the chief financial officer of such Guarantor (A) setting forth in reasonable detail such

Guarantor's Net Worth and Liquid Assets as of the end of such prior calendar year and based on such annual financial statements, and (B) certifying that such annual financial statements are true, correct, accurate and complete and fairly present the financial condition and results of the operations of such Guarantor;

(ii) within forty-five (45) days after the end of each fiscal quarter of such Guarantor, financial statements, including a balance sheet as of the end of such fiscal quarter and a statement of income and expense for such fiscal quarter, certified by the chief financial officer of such Guarantor and in form, content, level of detail and scope reasonably satisfactory to Lender, together with a certificate of the chief financial officer of such Guarantor (A) setting forth in reasonable detail such Guarantor's Net Worth and Liquid Assets as of the end of such prior calendar quarter and based on the foregoing quarterly financial statements, and (B) certifying that such quarterly financial statements are true, correct, accurate and complete and fairly present the financial condition and results of the operations of such Guarantor in a manner consistent with GAAP and the requirements of Regulation AB; and

(iii) within twenty (20) days after request by Lender, such other financial information with respect to such Guarantor as Lender may reasonably request.

(b) Sobelman shall deliver to Lender:

(i) within forty-five (45) days after the end of each calendar quarter, a certificate of such Guarantor setting forth in reasonable detail such Guarantor's Net Worth and Liquid Assets as of the end of such prior calendar quarter; and

(ii) within twenty (20) days after request by Lender, such other financial information with respect to such Guarantor as Lender may reasonably request.

Section 5.5 Additional Covenants.

(a) Existence, Compliance with Legal Requirements. GIP LP shall do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence and all rights, licenses, permits, franchises and all applicable governmental authorizations necessary for the operation of its business and comply with all Legal Requirements applicable to it and its assets. GIP LP shall not engage in any dissolution, liquidation or consolidation or merger with or into any other business entity without obtaining the prior consent of Lender; provided, however, the foregoing shall not prevent GIP LP from issuing additional units in connection with any UPREIT transaction, contribution of property or other investment if permitted under the Loan Agreement.

(b) Litigation. Each Guarantor shall give prompt notice to Lender of any litigation or governmental proceedings pending or threatened against any Guarantor which might materially adversely affect any Guarantor's condition (financial or otherwise) or business (including each Guarantor's ability to perform its Obligations hereunder or under the other Loan Documents to which it is a party).

(c) Patriot Act. Each Guarantor will use its good faith and commercially reasonable efforts to comply with the Patriot Act and all applicable requirements of Governmental Authorities having jurisdiction over each Guarantor, including those relating to money laundering and terrorism.

(d) Further Assurances. Each Guarantor shall, at such Guarantor's sole cost and expense:

(i) cure any defects in the execution and delivery of the Loan Documents to which each Guarantor is a party and execute and deliver, or cause to be executed and delivered, to Lender such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to correct any omissions in the Loan Documents to which each Guarantor is a party, as Lender may reasonably require; and

(ii) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Guaranty and the other Loan Documents to which each Guarantor is a party, as Lender may reasonably require from time to time.

ARTICLE 6
MISCELLANEOUS

Section 6.1 Waiver. No failure to exercise, and no delay in exercising, on the part of Lender, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Lender hereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision of this Guaranty, nor any consent to any departure therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

Section 6.2 Notices. All notices, demands, requests, consents, approvals or other communications (any of the foregoing, a "***Notice***") required, permitted or desired to be given hereunder shall be in writing and shall be sent by telefax (with answer back acknowledged) or by registered or certified mail, postage prepaid, return receipt requested, or delivered by hand or by reputable overnight courier, addressed to the party to be so notified at its address hereinafter set forth, or to such other address as such party may hereafter specify in accordance with the provisions of this Section 6.2. Any Notice shall be deemed to have been received: (a) three (3) days after the date such Notice is mailed, (b) on the date of sending by telefax if sent during business hours on a Business Day (otherwise on the next Business Day), (c) on the date of delivery by hand if delivered during business hours on a Business Day (otherwise on the next Business Day), and (d) on the next Business Day if sent by an overnight commercial courier, in each case addressed to the parties as follows:

If to Lender: DBR Investments Co. Limited
60 Wall Street, 10th Floor
New York, New York 10005
Attention: Peter DiConza
Facsimile No.: (212) 797-4489

and to:	DBR Investments Co. Limited 60 Wall Street, 10th Floor New York, New York 10005 Attention: Donna Corrigan Facsimile No.: (646)736-5721
with a copy to:	Frost Brown Todd LLC 400 West Market Street, Suite 3200 Louisville, Kentucky 40202 Attention: John W. Gragg, Esq. Facsimile No.: (502) 581-1087
with a copy to:	Key Bank National Association Loan Servicing and Asset Management 11501 Outlook Street, Suite 300 Overland Park, KS 66211 Attention: Todd Reynolds Facsimile No. (877) 379-1625
If to Guarantors:	David Sobelman 3117 W. Oaklyn Avenue Tampa, Florida 33609
	Generation Income Properties, L.P. 401 East Jackson Street, Suite 3300 Tampa, Florida 33602 Attention: David Sobelman

Any party may change the address to which any such Notice is to be delivered by furnishing ten (10) days written notice of such change to the other parties in accordance with the provisions of this Section 6.2. Notices shall be deemed to have been given on the date set forth above, even if there is an inability to actually deliver any Notice because of a changed address of which no Notice was given or there is a rejection or refusal to accept any Notice offered for delivery. Notice for any party may be given by its respective counsel. Additionally, Notice from Lender may also be given by Servicer.

Section 6.3 Governing Law; Jurisdiction; Service of Process. (a) THIS GUARANTY WAS NEGOTIATED IN THE STATE OF NEW YORK, AND MADE BY EACH GUARANTOR AND ACCEPTED BY LENDER IN THE STATE OF NEW YORK, AND THE PROCEEDS OF THE NOTE WERE DISBURSED FROM THE STATE OF NEW YORK, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION RELATED HERETO, AND IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION,

VALIDITY AND PERFORMANCE, THIS GUARANTY AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH GUARANTOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS GUARANTY AND/OR THE OTHER LOAN DOCUMENTS, AND THIS GUARANTY AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR ANY GUARANTOR ARISING OUT OF OR RELATING TO THIS GUARANTY MAY, AT LENDER'S OPTION, BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE CITY OF NEW YORK, COUNTY OF NEW YORK, PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, AND EACH GUARANTOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND EACH GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. EACH GUARANTOR DOES HEREBY DESIGNATE AND APPOINT:

CORPORATION SERVICE COMPANY
1180 AVENUE OF THE AMERICAS, SUITE 210
NEW YORK, NEW YORK 10036-8401

AS ITS AUTHORIZED AGENT TO ACCEPT AND ACKNOWLEDGE ON ITS BEHALF SERVICE OF ANY AND ALL PROCESS WHICH MAY BE SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY FEDERAL OR STATE COURT IN NEW YORK, NEW YORK, AND EACH GUARANTOR AGREES THAT SERVICE OF PROCESS UPON SAID AGENT AT SAID ADDRESS AND WRITTEN NOTICE OF SAID SERVICE MAILED OR DELIVERED TO SUCH GUARANTOR IN THE MANNER PROVIDED HEREIN SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON SUCH GUARANTOR IN ANY SUCH SUIT, ACTION OR PROCEEDING IN THE STATE OF NEW YORK. EACH GUARANTOR (I) SHALL GIVE PROMPT NOTICE TO LENDER OF ANY CHANGED ADDRESS OF ITS AUTHORIZED AGENT HEREUNDER, (II) MAY AT ANY TIME AND FROM TIME TO TIME DESIGNATE A SUBSTITUTE AUTHORIZED AGENT WITH AN OFFICE IN NEW YORK, NEW YORK (WHICH SUBSTITUTE AGENT AND OFFICE SHALL BE DESIGNATED AS THE PERSON AND ADDRESS FOR SERVICE OF PROCESS AND WHICH SUBSTITUTE AGENT SHALL BE THE SAME AGENT DESIGNATED BY BORROWER UNDER THE LOAN AGREEMENT), AND (III) SHALL PROMPTLY DESIGNATE SUCH A SUBSTITUTE IF ITS AUTHORIZED

AGENT CEASES TO HAVE AN OFFICE IN NEW YORK, NEW YORK OR IS DISSOLVED WITHOUT LEAVING A SUCCESSOR. NOTHING CONTAINED HEREIN SHALL AFFECT THE RIGHT OF LENDER TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY GUARANTOR IN ANY OTHER JURISDICTION.

Section 6.4 **Invalid Provisions**. If any provision of this Guaranty is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Guaranty, such provision shall be fully severable and this Guaranty shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Guaranty, and the remaining provisions of this Guaranty shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Guaranty, unless such continued effectiveness of this Guaranty, as modified, would be contrary to the basic understandings and intentions of the parties as expressed herein.

Section 6.5 **Amendments**. This Guaranty may be amended only by an instrument in writing executed by the party(ies) against whom such amendment is sought to be enforced.

Section 6.6 **Parties Bound; Assignment**. This Guaranty shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, permitted assigns, heirs and legal representatives. Lender shall have the right to assign or transfer its rights under this Guaranty in connection with any assignment of the Loan and the Loan Documents. Any assignee or transferee of Lender shall be entitled to all the benefits afforded to Lender under this Guaranty. No Guarantor shall have the right to assign or transfer its rights or obligations under this Guaranty without the prior written consent of Lender, and any attempted assignment without such consent shall be null and void.

Section 6.7 **Headings**. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Guaranty.

Section 6.8 **Recitals**. The recitals and introductory paragraphs hereof are a part hereof, form a basis for this Guaranty and shall be considered *prima facie* evidence of the facts and documents referred to therein.

Section 6.9 **Counterparts**. To facilitate execution, this Guaranty may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Guaranty to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

Section 6.10 **Rights and Remedies**. If any Guarantor becomes liable for any indebtedness owing by Borrower to Lender, by endorsement or otherwise, other than under this

Guaranty, such liability shall not be in any manner impaired or affected hereby and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may ever have against Guarantor. The exercise by Lender of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

Section 6.11 Entirety. THIS GUARANTY EMBODIES THE FINAL, ENTIRE AGREEMENT OF GUARANTORS AND LENDER WITH RESPECT TO GUARANTORS' GUARANTY OF THE GUARANTEED OBLIGATIONS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF. THIS GUARANTY IS INTENDED BY GUARANTORS AND LENDER AS A FINAL AND COMPLETE EXPRESSION OF THE TERMS OF THE GUARANTY, AND NO COURSE OF DEALING BETWEEN GUARANTORS AND LENDER, NO COURSE OF PERFORMANCE, NO TRADE PRACTICES AND NO EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE SHALL BE USED TO CONTRADICT, VARY, SUPPLEMENT OR MODIFY ANY TERM OF THIS GUARANTY. THERE ARE NO ORAL AGREEMENTS BETWEEN GUARANTORS AND LENDER.

Section 6.12 Waiver of Right To Trial By Jury. EACH GUARANTOR HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS GUARANTY, THE NOTE, THE MORTGAGE, THE LOAN AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH GUARANTOR AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. LENDER IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY GUARANTORS.

Section 6.13 Cooperation. Each Guarantor acknowledges that Lender and its successors and assigns may (i) sell this Guaranty, the Note and the other Loan Documents to one or more investors as a whole loan, (ii) participate the Loan secured by this Guaranty to one or more investors, (iii) deposit this Guaranty, the Note and the other Loan Documents with a trust, which trust may sell certificates to investors evidencing an ownership interest in the trust assets, or (iv) otherwise sell the Loan or one or more interests therein to investors (the transactions referred to in clauses (i) through (iv) are hereinafter each referred to as "***Secondary Market Transaction***"). Subject to the terms, conditions and limitations set forth in the Loan Agreement, each Guarantor shall, cooperate with Lender in effecting any such Secondary Market Transaction, shall cooperate to implement all requirements imposed by any of the Rating Agencies involved in any Secondary Market Transaction and shall provide (or cause Borrower to provide) such information, indemnities and materials as may be required or necessary pursuant to Article 9 of the Loan Agreement.

Section 6.14 **Reinstatement in Certain Circumstances**. If at any time any payment of the principal of or interest under the Note or any other amount payable by Borrower under the Loan Documents is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, Guarantors' obligations hereunder with respect to such payment shall be reinstated as though such payment had been due but not made at such time.

Section 6.15 **Gender; Number; General Definitions**. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, (a) words used in this Guaranty may be used interchangeably in the singular or plural form, (b) any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, (c) the word "***Borrower***" shall mean "each Borrower and any subsequent owner or owners of the Property or any part thereof or interest therein", (d) the word "***Lender***" shall mean "Lender and any subsequent holder of the Note", (e) the word "***Note***" shall mean "the Note and any other evidence of indebtedness secured by the Loan Agreement", (f) the word "***Property***" shall include any portion of the Property and any interest therein, and (g) the phrases "attorneys' fees", "legal fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels, incurred or paid by Lender in protecting its interest in the Property, the Leases and/or the Rents and/or in enforcing its rights hereunder.

Section 6.16 **Joint and Several**. The obligations of each Guarantor hereunder are joint and several.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

/s/ David Sobelman
DAVID SOBELMAN, an individual

GENERATION INCOME PROPERTIES, L.P.,
a Delaware limited partnership

By: GENERATION INCOME PROPERTIES, INC., a Maryland corporation, its General Partner

By: /s/ David Sobelman
Name: David Sobelman
Title: President and CEO

Exhibit 21.1

Subsidiaries of the Registrant

Subsidiary	State of Incorporation / Formation
Generation Income Properties, LP	Delaware
GIP REIT OP Limited LLC	Delaware
GIP DB SPE, LLC	Delaware
GIPDC 3707 14th St LLC	Delaware
GIPFL 1300 S Dale Mabry LLC	Delaware
GIPAL JV 15091 SW ALABAMA 20	Delaware
GIPVA 2510 WALMER AVE, LLC	Delaware
GIPVA 130 CORPORATE BLVD, LLC	Delaware
GIPFL JV 1106 CLEARLAKE ROAD, LLC	Delaware
GIPRI 332 Valley St LLC	Delaware

Exhibit 23.1

malonebailey LLP
CERTIFIED PUBLIC ACCOUNTING FIRM

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the inclusion in this Amendment No. 1 to the Registration Statement on Form S-11 of:

1) Our report dated April 30, 2019, except for Note 8 and schedule III which are dated December 26, 2019 with respect to the audited consolidated financial statements of Generation Income Properties, Inc. for the years ended December 31, 2018 and 2017;

2) Our report dated December 23, 2019 with respect to the audited statement of revenues and certain expenses of Greenwal, L.C. for the year ended December 31, 2018;

3) Our report dated December 23, 2019 with respect to the audited statement of revenues and certain expenses of Riverside Crossing, L.C. for the year ended December 31, 2018.

We also consent to the references to us under the heading “Experts” in such Registration Statement.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
February 14, 2020

9801 Westheimer Road, Suite 1100 • Houston, Texas 77042 • 713.343.4200
#306-307 Ocean International Center (C Tower) No.60, Dongsihuan Middle Road • Chaoyang District, Beijing P.R. China 100025 • 86.010.5282.3662
Coastal City (West Tower) Hai De San Dao #1502 • Nanshan District Shenzhen P.R. China 518054 • 86.755.8627.8690
www.malonebailey.com

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Exhibit 99.1

PRIOR PERFORMANCE TABLES

As used herein, the terms "we," "our" and "us" refer to Generation Income Properties, Inc.

The following Prior Performance Tables (the "Tables") provide information relating to GIP Fund 1, LLC ("GIP Fund 1"), the program sponsored by our President and Chairman of the Board, Mr. Sobelman, and his affiliates (our "sponsor").

GIP Fund 1, a private real estate fund, had certain investment objectives similar to ours, including the acquisition and operation of commercial properties; the provision of stable cash flow available for distribution to investors; preservation and protection of capital; and the realization of capital appreciation in the event of an ultimate sale of any properties. GIP Fund 1 focused on single tenant properties essential to the business operations of the tenant; located in primary markets; leased to tenants with stable and/or improving credit quality; and subject to long-term leases with defined rental rate increases or with short-term leases with high-probability renewal and potential for increasing rent. GIP Fund 1 has not disposed of any properties to date. GIP Fund 1 engaged in a private offering in January 2013 to accredited investors only pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and raised approximately $940,000 through the issuance of member units. GIP Fund 1 closed its round of financing in December of 2013 to acquire one real estate property. Using a combination of debt and cash consisting of 97% of the offering proceeds, GIP Fund 1 acquired one existing property in Tampa, Florida for a purchase price of approximately $1.6 million. GIP Fund 1 is no longer active in acquiring more properties.

Mr. Sobelman is responsible for the acquisition, operation, maintenance and resale of the real estate properties and real estate-related debt investments for GIP Fund 1. The financial results of GIP Fund 1 thus provide an indication of a prior real estate program for which our sponsor was ultimately responsible and the performance of this program during the periods covered. However, general economic conditions affecting the real estate industry and other factors contribute significantly to financial results.

The Tables presented provide summary unaudited information related to GIP Fund 1. By purchasing shares in our public offering, investors will not acquire any ownership interest in GIP Fund 1 to which the information in the Tables relate and investors should not assume that they will experience returns, if any, comparable to those experienced by the investors in GIP Fund 1.

The information in these Tables should be read together with the summary information under the "Prior Performance Summary" section of this prospectus. The following Tables are included in this prospectus:

- Table II—Compensation to Sponsor; and
- Table III—Annual Operating Results of Prior Real Estate Programs.

The following tables have been omitted: (i) Table I—Experience in Raising and Investing Funds (no offerings by GIP Fund 1 have closed in the prior three years); (ii) Table IV—Results of Completed Programs (GIP Fund 1 has not completed operations); (iii) Table V—Sales of Dispositions of Properties (GIP Fund 1 has never sold or disposed of a property) and (iv) Table VI—Acquisitions of Properties by Programs (GIP Fund 1 has not acquired any property in the prior three years).

TABLE II
COMPENSATION TO SPONSOR
(UNAUDITED)

This table sets forth the amount and type of compensation paid to our sponsor and affiliates related to GIP Fund 1. The information represents activity since inception.

	GIP Fund 1
Date Offering Commenced	9/21/2012
Dollar Amount Raised	$ 940,000
Amount Paid to Sponsor from Proceeds of Offering:	
Underwriting Fees	—
Acquisition Fees:	
Real Estate Commissions (1)	—
Advisory Fees	—
Other	—
Other	—
Dollar Amount of Cash Generated from Operations Before Deducting Payment to Sponsors	—
Amount Paid to Sponsor From Operations:	
Asset Management Fee (2)	—
Property Management Fees (2)	$ 62,435
Partnership Management Fees	—
Reimbursements	—
Leasing Commissions	—
Other	—
Dollar Amount of Property Sales and Refinancing Before Deduction Payments to Sponsor:	
Cash	—
Notes	—
Amount Paid to Sponsors from Property Sales and Refinancing:	
Real Estate Commissions	—
Incentive Fees	—
Disposition Fees	—
Other	—

(1) Calkain Companies LLC, was paid a $48,450 brokerage commission on the transaction since it was the broker for GIP Fund 1. Our sponsor was an equity partner in Calkain Companies, LLC, but did not receive a direct commission on this transaction.

(2) All fees have been allocated to property management. Reflects total fees paid for the years ended December 31, 2013, 2014, 2015, 2016, 2017 and 2018 of $79, $12,218, $12,297, $12,297, $12,297 and $13,247, respectively.

TABLE III
OPERATING RESULTS OF PRIOR PROGRAMS
(UNAUDITED)

The following sets forth the unaudited operating results of GIP Fund 1 for the years ended December 31, 2013 through December 31, 2018.

	2013	2014	2015	2016	2017	2018	Total
Gross Rental Income	$ 5,101	$139,972	$140,120	$135,000	$134,827	$ 132,482	$ 687,502
Less:							
Rental operating expenses	1,055	39,161	41,070	38,123	34,428	64,074	217,911
Interest Expense, net	1,061	30,346	28,916	26,626	28,532	30,723	146,204
Depreciation	1,170	28,074	28,074	28,074	28,074	27,294	140,760
Net Income (GAAP basis)	1,815	42,391	42,060	42,177	43,793	10,391	182,627
Taxable Income from Operations (2)	1,764	42,389	42,058	43,772	43,772	7,040	180,795
Summary Statement of Cash Flows							
Cash generated from operations (3)	2,456	73,057	71,361	72,975	73,774	34,066	327,689
Cash generated from investing activities	(1,638,235)	—	—	—	—	—	(1,638,235)
Cash generated from financing	1,655,000	—	—	—	—	627,993	2,282,993
Total distributions to investors	—	(76,260)	(66,000)	(66,000)	(66,000)	(674,500)	(948,760)
Operations	—	(75,513)	(66,000)	(66,000)	(66,000)	(54,176)	(327,689)
Return of capital	—	(747)	—	—	—	(620,324)	(621,071)
Cash generated after cash distributions to investors	2,456	(3,203)	5,361	6,975	7,774	(640,434)	(621,071)
Percent of properties remaining unsold	100%	100%	100%	100%	100%	100%	100%
Distribution Data Per $1,000 Invested (4)	$ —	$ 81.13	$ 70.21	$ 70.21	$ 70.21	$ 717.54	$ 1,009.30
Cash Distributions to Investors							
Sources (on GAAP basis)							
- Operating activities	$ —	$ 80.33	$ 70.21	$ 70.21	$ 70.21	$ 57.63	$ 348.59
- Investing & financing activities	—	—	—	—	—	—	—
- Other (return of capital)	—	0.79	—	—	—	659.92	660.71

(1) Most recent available year end information
(2) Straight-line rent adjustment is only GAAP basis adjustment.
(3) Cash generated from Operations reported on a non-GAAP basis.
(4) $940,000 was initially invested in the fund.

Exhibit 99.2

FORM OF LOCK-UP AGREEMENT

February , 2020

Maxim Group LLC
As Underwriter
405 Lexington Avenue
New York, NY 10174

Re: Offering of Securities of Generation Income Properties, Inc.

Ladies and Gentlemen:

The undersigned, as a holder of common stock, par value $0.01 per share ("**Common Stock**"), or rights to acquire Common Stock, of Generation Income Properties, Inc. (the "**Company**"), or in the undersigned's capacity as a director and/or officer of the Company, understands that you, as the underwriter (the "**Underwriter**"), propose to enter into an Underwriting Agreement (the "**Underwriting Agreement**") with the Company, providing for the public offering (the "**Offering**") of registered shares of Common Stock (the "**Securities**"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriter's agreement to enter into the Underwriting Agreement and to proceed with the Offering of the Securities, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned hereby agrees for the benefit of the Company and the Underwriter that, without the prior written consent of the Underwriter, the undersigned will not, for a period commencing on the date hereof and ending 180 days from the date of the final prospectus filed with the Commission pursuant to Rule 424(b) (the "**Lock-Up Period**"), directly or indirectly, unless otherwise provided herein, (a) offer, sell, agree to offer or sell, solicit offers to purchase, grant any call option or purchase any put option with respect to, pledge, borrow or otherwise dispose (each a "**Transfer**") of any Relevant Security (as defined below), or (b) establish or increase any "put equivalent position" or liquidate or decrease any "call equivalent position" with respect to any Relevant Security (in each case within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder), or otherwise enter into any swap, derivative or other transaction or arrangement that Transfers to another, in whole or in part, any economic consequence of ownership of a Relevant Security, whether or not such transaction is to be settled by delivery of Relevant Securities, other securities, cash or other consideration. As used herein, the term "**Relevant Security**" means any shares of Common Stock, warrant to purchase Common Stock or other security of the Company or any other entity that is

convertible into, or exercisable or exchangeable for Common Stock or equity securities of the Company, in each case that are owned by the undersigned on the Closing Date or acquired by the undersigned during the Lock-Up Period.

The restrictions in the foregoing paragraph shall not apply to any exercise (including a cashless exercise) of options or warrants to purchase Common Stock; *provided* that any Common Stock received upon such exercise, conversion or exchange will be subject to this Lock-Up Agreement. The restrictions also shall not apply to the establishment of a trading plan pursuant to Rule 10b5-1 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), provided that (i) such plan does not provide for the transfer of Common Stock or any securities convertible into or exercisable or exchangeable for Relevant Securities during the Lock-Up Period and (ii) no filing or public announcement under the Exchange Act or otherwise is required or voluntarily made by or on behalf of the undersigned or the Company in connection with the establishment of such plan.

Notwithstanding the foregoing, the undersigned may transfer a Relevant Security (i) as a bona fide gift or gifts, (ii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or (iii) by testate succession or intestate succession; *provided*, in the case of clauses (i) through (iii), that (x) such transfer shall not involve a disposition for value and (y) the transferee agrees in writing with the Underwriter to be bound by the terms of this Lock-Up Agreement. For purposes of this Lock-Up Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

In addition, the undersigned hereby agrees that, without the Underwriter's prior consent, the undersigned will not, during the Lock-Up Period, make any demand for or exercise any right with respect to, the registration of any shares of Common Stock of the Company or any securities convertible into, exercisable for, or exchangeable for shares of Common Stock. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar relating to the transfer of the undersigned's shares of Common Stock except in compliance with any restrictions contained herein.

The undersigned understands that the Company and the Underwriter are relying on this Lock-Up Agreement in proceeding toward consummation of the Offering of the Securities contemplated by the Underwriting Agreement. This Lock-Up Agreement is irrevocable and shall be binding upon the undersigned and the heirs, personal representatives, successors and assigns of the undersigned.

The undersigned understands that the undersigned shall be released from all obligations under this Lock-Up Agreement if (i) the Company notifies the Underwriter that it does not intend to proceed with the Offering or (ii) the Underwriting Agreement does not become effective, or if the Underwriting Agreement shall terminate or be terminated prior to payment for and delivery of the Securities to be sold thereunder.

This Lock-Up Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflicts of laws principles that would result in the application of any law other than the law of the State of New York.

[Signature page follows]

Very truly yours,

[Officer, Director or 5% or greater stockholder]

By: _____
Name:
Title:

[Signature page to Lock-Up Agreement]