As filed with the Securities and Exchange Commission on June 17, 2021

Registration No. 333-235707

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

Amendment No. 6
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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401 East Jackson Street, Suite 3300
Tampa, Florida 33602
813-448-1234
(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)

David Sobelman
President and Chief Executive Officer
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
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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)
Units consisting of shares of Common Stock, $0.01 par value per share, and Warrants to purchase shares of Common Stock, $0.01 par value per share	$17,250,000	$1,882*
Common Stock included as part of the Units	—	—
Warrants to purchase shares of common stock included as part of the Units (3)	—	—
Shares of Common Stock issuable upon exercise of the Warrants (4)(5)	$17,250,000	$1,882*
Representative's Warrants (6)(7)	—	—
Shares of Common Stock, $0.01 par value per share, underlying Representative's Warrants (6)	$1,940,625	$212*
Total	$36,440,625	$3,976*

* Previously paid.

(1) Pursuant to Rule 416 of the Securities Act of 1933, as amended, such number of securities 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. Includes the offering price of additional units that the underwriters have the option to purchase.

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

(3) In accordance with Rule 457(i) under the Securities Act, because the shares of the Registrant's common stock underlying the warrants are registered hereby, no separate registration fee is required with respect to the warrants registered hereby.

(4) There will be issued warrants to purchase one share of common stock for every one share of common stock offered. The warrants are exercisable at a per share price of 100% of the public offering price per Unit.

(5) Includes shares of common stock which may be issued upon exercise of additional warrants which may be issued upon exercise of 45-day option granted to the underwriters to cover over-allotments, if any.

(6) Registers warrants to be granted to the representative of the underwriters, or its designees, for an amount equal to 9.0% of the number of the shares of common stock sold to the public, and assuming a per share exercise price equal to 125% of the price per share in this offering. See "Underwriting" on page 111 for information on underwriting arrangements.

(7) No registration fee required pursuant to Rule 457(g) 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 securities until the registration statement filed with the Securities and Exchange Commission becomes effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale thereof is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 17, 2021

PRELIMINARY PROSPECTUS

GENERATION INCOME PROPERTIES, INC.

1,250,000 UNITS
EACH UNIT CONSISTING OF ONE SHARE OF COMMON STOCK AND ONE WARRANT TO PURCHASE ONE SHARE OF COMMON STOCK

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, 2021.

We are offering 1,250,000 units (each, a "Unit" and collectively, the "Units") in a firm commitment underwritten public offering. Each Unit consists of one share of our common stock, par value $0.01 per share, and one warrant (each, a "Warrant" and collectively, the "Warrants") to purchase one share of our common stock at an exercise price equal to 100% of the price of each Unit sold in this offering. The Units have no stand-alone rights and will not be certificated or issued as stand-alone securities. The shares of common stock and the Warrants comprising the Units are immediately separable and will be issued separately in this offering. Each Warrant offered hereby is immediately exercisable on the date of issuance and will expire five years from the date of issuance. We expect the public offering price of our Units to be between $11.00 and $13.00 per Unit. We have granted the underwriters a period of 45 days to purchase up to an additional 187,500 shares of common stock and/or an additional 187,500 Warrants, which the underwriters may only exercise to cover over-allotments made in connection with this offering. The underwriters have informed us that the gross proceeds of this offering will not be less than $15,000,000.

Our common stock is currently approved to be quoted on the OTCQB Venture Market under the symbol "GIPR". Prior to this offering, there has been no public market for our Warrants. We have applied to list our common stock and Warrants on the Nasdaq Capital Market under the symbol "GIPR". and "GIPRW," respectively. 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 and Warrants on the Nasdaq, we will not complete this offering.

Investing in our Units involves risks. You should carefully read and consider the "Risk Factors" beginning on page 16 of this prospectus before investing.

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 Unit:	$	$	$
Total:	$	$	$

(1) In addition to the underwriting discount, we have agreed to issue the representative of the underwriters a warrant to purchase a number of common shares equal to an aggregate of 9% of the number of shares of common stock sold in this offering. As of the date hereof, an affiliate of Maxim Group LLC, holds 15,299 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 underwriters in connection with this offering.

(2) We expect that the amount of expenses of the offering that we will pay will be approximately $1,037,000.

(3) We have granted the underwriters an option for a period of 45 days to purchase up to an additional 187,500 shares of common stock and/or an additional 187,500 Warrants. If the underwriters exercise this option in full, the additional underwriting discounts and commissions payable by us will be $202,500 and the total proceeds to us, before expenses, will be $15.7 million.

Sole Book-Running Manager
Maxim Group LLC

Co-Manager
Joseph Gunnar & Co. LLC

The date of this prospectus is , 2021.

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ABOUT THIS PROSPECTUS

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. On October 12, 2020, we effected a one-for-four reverse split of our common stock, or the Reverse Split. Unless otherwise specified or the context otherwise indicates, the information contained in this prospectus has been adjusted to give effect to the Reverse Split.

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.

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 securities. You should read the entire prospectus, including "Risk Factors," before making a decision to invest in our Units.

Our Company

We are an internally managed real estate investment company focused on acquiring and managing income-producing retail, office and industrial properties net leased to high quality tenants in major markets throughout the United States. With interest rates at historical lows, we believe our focus on owning properties leased to investment grade or creditworthy tenants provide attractive risk adjusted returns through current yields, long term appreciation and tenant renewals. As of April 30, 2021, approximately 80% of our portfolio's annualized base rent was received from tenants that have (or whose parent company has) an investment grade credit rating of "BBB-" or higher and 100% of our rent was paid on a timely basis.

We believe that single-tenant commercial properties, as compared with shopping centers, 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.

Given the stability and predictability of the cash flows, many net leased properties are held in family trusts, providing us an opportunity to acquire these properties for tax deferred units while giving the owners potential liquidity through the conversion of the units for freely tradable shares of stock.

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, 2021.

Business Objectives and Investment Strategy

We intend to acquire and manage a diversified portfolio of high quality net leased properties that generates predictable cash flows and capital appreciation over market cycles. We expect that these properties generally will be net leased to a single tenant. Under a net lease, the tenant typically bears the responsibility for most or all property related expenses such as real estate taxes, insurance, and maintenance costs. We believe this lease structure provides us with stable cash flows over the term of the lease, and minimizes the ongoing capital expenditures. We seek to identify properties in submarkets with high barriers to entry for development and where valuation is frequently influenced by local real estate market conditions and tenant needs.

Focus on Real Estate Fundamentals: We have observed that the market for properties with bond type net leased structures, lease terms greater than ten years, and limited rent escalators upon renewal are exposed to many of the same operational and market risks as other net leased properties while providing lower returns due to competition. We believe that focusing on traditional real estate fundamentals allows us to target properties with shorter lease terms, modified net leases or vacancy and thereby may allow us to generate superior returns.

Target Markets with Attractive Characteristics: We plan to concentrate our investment activity in select target markets with the following characteristics: high quality infrastructure, diversified local economies with multiple economic drivers, strong demographics, pro-business local governments and high quality local labor pools. We believe that these markets offer a higher probability of producing long term rent growth and capital appreciation.

Target Strategic Net Leased Properties: We target properties that offer unique strategic advantages to a tenant or an industry and can therefore be acquired at attractive yields relative to the underlying risk. We look for properties that are difficult or costly to replicate due to a specific location, special zoning, unique physical attributes, below market rents or a significant tenant investment in the facility, all of which contribute to a higher probability of tenant renewals. Examples of specialized properties include our Pratt & Whitney manufacturing facility located in Huntsville, Alabama whose specialized equipment is unique to such a facility and the GSA (US Navy) occupied building in Norfolk, Virginia due to the tenant's buildout for IT and security. We target properties if we believe they are critical to the ongoing operations of the tenant and the profitability of its business. We believe that the profitability of the operations and the difficulty in replicating or moving operations reflect the importance of the property to the tenant's business.

Target Investments that Maximize Growth Potential: We focus on net leased investment properties where, in our view, there is the potential to invest incremental capital to accommodate a tenant's business, extend lease terms and increase the value of a property. We believe these opportunities can generate attractive returns due to the nature of our relationship with the tenant.

Disciplined Underwriting & Risk Management

We actively manage and regularly review each of our properties for changes in the underlying business, credit of the tenant and market conditions. Before acquiring a property, we review the terms of the management contract to ensure our team is able to maximize cash flow capital appreciation through potential lease renewals and/ or potential re-tenanting. Additionally, we monitor any required capital improvements that would lead to increased rental income or capital appreciation over time. We focus on active management with the tenants upon the acquisition of an asset since our experience in the single-tenant, commercial real estate industry indicates that active management and fostering tenant relationships has the potential to positively impact long-term financial outcomes, such as:

- better communication with corporate level and unit level staff to determine ongoing company and location-specific performance, strategic goals and directives;
- the ability to hold a tenant accountable for property maintenance during occupancy in order to reduce the probability of future deferred maintenance expenses; and
- the ability to develop relationships with tenants as an active participant in their occupancy which can lead to better communication during times of potential negotiations.

Underwriting Process

Our extensive underwriting process evaluates key fundamental value drivers that we believe will attract long-term tenants and result in property appreciation over time. This comprehensive pre-ownership analysis led by our CEO (David Sobelman, who has over 15 years in different capacities within the net lease commercial real estate investment market) helps us to assess location level performance, including the possible longevity of tenant occupancy throughout the primary lease term and option periods.

We assess target markets and properties using an extensive underwriting and evaluation process, including:

- offering materials review;
- property and tenant lease information;
- in depth conversations with offering agent, local brokers and property management companies;
- thorough credit underwriting of the tenant;
- review of tenant's historical performance in the specific market and their nationwide trend to determine potential longevity of the asset and tenant's business model;
- market real estate dynamics, including macroeconomic market data and market rents for potential rental rate changes after initial lease term;
- evaluation of business trends for local real estate demand specifics and competing business locations;
- review of asset level financial performance;
- pre-acquisition discussions with the asset manager to confirm property specific reserve amounts and potential future capital expenditures;
- review of property's physical condition and related systems; and
- financial modeling to determine our preliminary baseline pricing.

Specific acquisition criteria may include, but is not limited to, the following:

- properties with existing, long-term leases of approximately seven years or greater;
- premier locations and facilities with multiple alternative uses;
- sustainable rents specific to a tenants' location that may be at or below market rents;
- investment grade or strong credit tenant;
- properties not subject to long-term management contracts with management companies;
- opportunities to expand the tenants' building and/or implement value-added operational improvements; and
- population density and strong demand growth characteristics supported by favorable demographic indicators.

Competitive Strengths

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

- *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.
- *Experienced Board of Directors.* We believe that we have a seasoned and experienced board of directors that will help us achieve our investment objectives. In combination, our directors have approximately 110 years of experience in the real estate industry.
- *Real Estate Industry Leadership and Networking.* We are led by our Chairman, President and Chief Executive Officer, David Sobelman. He founded the Company after serving in different capacities within the net lease commercial real estate market. Mr. Sobelman has held various roles within the single tenant, net lease commercial real estate investment market over the past 18 years, including investor, asset manager, broker, owner, analyst and advisor. Mr. Sobelman started his real estate career in 2003 as a real estate analyst and ultimately emerged into a Managing Partner of a solely-focused, triple net lease commercial real estate firm. He has procured or overseen numerous transactions that ranged from small, private investments to portfolio transactions with individual aggregate values of approximately $69 million. Additionally, Mr. Sobelman considers himself a pioneer in implementing hands-on management of net leased properties in order to potentially maintain or increase the value of any one asset. He has overseen or actively participated in single tenant real estate management since 2010.
- *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.
- *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.
- *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. Initially, we intend to target aggregate borrowings equal to approximately 50% or less of our total assets after we have invested the proceeds of this offering. Individual 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.

Our Current Portfolio

The following are characteristics of our nine properties as of April 30, 2021:

- *Creditworthy Tenants.* Approximately 80% of our portfolio's annualized base rent as of April 30, 2021 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.
- *100% Occupied.* Our portfolio is 100% leased and occupied.
- *Contractual Rent Growth.* Approximately 68% of the leases in our current portfolio (based on annualized base rent as of April 30, 2021) provide for increases in contractual base rent during future years of the current term or during the lease extension periods.
- *Average Effective Annual Rental per Square Foot*. Average effective annual rental per square foot is $18.12.

The table below presents an overview of the nine properties in our portfolio as of April 30, 2021, unless otherwise indicated:

Property Type	Property Location	Rentable Square Feet	Tenant(s)	S&P Credit Rating (1)	Lease Expiration Date	Remaining Term (Years)	Options (Number x Years)	Tenant Contractual Rent Escalations	Annualized Base Rent (2)	Annualized Base Rent Sq. Ft.	Base Rent as a % of Total
Retail	Washington, DC	3,000	7-Eleven Corporation	AA-	3/31/2026	4.9	2 x 5	Yes	$129,804	$43.27	3.5%
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	6.8	4 x 5	Yes	$182,500	$82.95	4.9%
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	7.8	2 x 5	Yes	$684,996	$11.59	18.4%
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	7/31/2028 (3)	7.3	8 x 5	No	$313,480	$20.73	8.4%
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and	AA+	9/17/2028	7.4	—	No	$882,476	$17.68	23.8%
	Norfolk, VA	22,247	Maersk Line, Limited	BBB-	12/31/2022	1.7	1 x 5	Yes	$375,588	$16.88	10.1%
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB+	8/31/2027	6.3	1 x 5	Yes	$721,214	$20.70	19.4%
Retail	Tampa, FL	3,500	Sherwin-Williams	BBB	7/31/2028	7.3	5 x 5	Yes	$120,750	$34.50	3.2%
Office	Manteo, NC	7,543	General Services Administration	AA+	2/20/2029	7.8	1 x 5	Yes	$161,346	$21.39	4.3%
Office	Tampa, FL	7,826	Irby Construction Company	BBB	12/31/2024	3.7	2 x 5	Yes	$148,200	$18.94	4.0%
Total		**205,276**							**$3,720,354**		

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash rental income in place as of April 30, 2021. Our leases do not include tenant concessions or abatements.
(3) The lease runs through July 31, 2068. However the 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, July 31, 2053, July 31, 2058 and July 31, 2063. We estimate Tenant will stay at least through December 31, 2029. On June 8, 2021, we entered into a purchase and sale agreement to sell our Cocoa, Florida property to a third party for $5.4 million. The sale is subject to customary closing conditions, including a thirty day inspection period for the purchaser to conduct due diligence on the property during which the purchaser may terminate the agreement for any reason without penalty. The closing is expected to occur on or before the sixtieth day following the expiration of the diligence period.
(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 the following nine 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. On June 8, 2021, we entered into a purchase and sale agreement to sell the property to a third party for $5.4 million. The sale is subject to customary closing conditions, including a thirty day inspection period for the purchaser to conduct due diligence on the property during which the purchaser may terminate the agreement for any reason without penalty. The closing is expected to occur on or before the sixtieth day following the expiration of the diligence period. In connection with the pending sale of our Cocoa, Florida property, we are obligated to pay the Operating Partnership a cash acquisition fee equal to 1% of the sale price of the property upon the closing of the transaction.
- 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 248,250 common units in our Operating Partnership, priced at $20.00 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 101,663 common units in our Operating Partnership, priced at $20.00 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.
- A single tenant retail building (3,500 square feet) leased to The Sherwin-Williams Company and located at 508 S. Howard Ave in Tampa, FL acquired in November 2020 for total consideration of approximately $1.8 million. The acquisition was funded by issuing approximately 24,309 common units in our Operating Partnership, priced at $20.00 per unit, for a total value of $486,180 and the assumption of approximately $1.3 million of existing mortgage debt which is guaranteed by our CEO.
- A single tenant office building (7,500 square feet) leased to the United States General Services Administration and located at 201 Etheridge Road, Manteo, NC acquired in February 2021 for approximately $1.7 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $0.5 million and by debt financing of approximately $1.3 million.
- A single tenant office building (7,800 square feet) leased to Irby Construction Company, a wholly owned subsidiary of Quanta Services Inc., and located at 702 Tillman Road, Plant City, FL acquired in April 2021 for approximately $1.7 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $0.9 million and by debt financing of approximately $0.9 million, which is guaranteed by our CEO.

COVID-19 Update

To date our business has not been significantly impacted by the COVID-19 pandemic. While several of our national tenants have publicly reported financial challenges they have suffered because of the COVID-19 pandemic, none of our tenants have requested rent abatements or reductions from us. One of our national tenants informed all of its landlords in May 2020 about the financial challenges it was suffering and referenced concessions to lease terms and base rent it would request. However, to date that tenant has not requested any concessions from us. While obtaining financing during the COVID-19 pandemic has been challenging, we are beginning to see more lenders enter into new financings for projects like ours. The impact of the COVID-19 pandemic on our business is still uncertain and will be largely dependent on future developments. Please see “Risk Factors” beginning on page 16 for further information.

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 potential acquisitions that fall within our target market. As of the date of this prospectus, however, we are not a party to any binding agreement to purchase any additional properties. 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.

Property and Asset Management Agreements

We had previously engaged 3 Properties, a business managed by our President and CEO, to provide asset management services for certain of our properties. These agreements were terminated effective August 31, 2020. We now manage our properties in-house, except for our Norfolk, Virginia properties.

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.

Corporate Information

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 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.

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.

From inception through the date of this prospectus, we have distributed approximately $853,000 to common stockholders. David Sobelman, our President, Chief Executive Officer, and founder and current owner of approximately 39.0% 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. We intend to declare quarterly distributions. To be able to pay such dividends, our goal is to generate cash distributions from operating cash flow and proceeds from the sale of properties. However, we cannot provide any assurance as to the amount or timing of future distributions.

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, 2021. 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, 2021, 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.

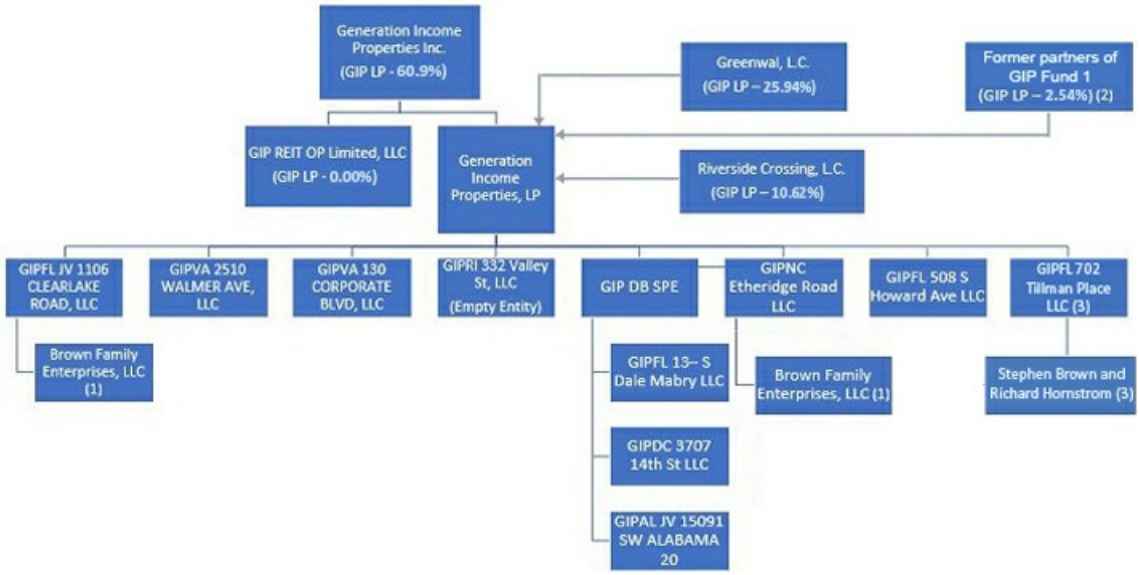
Our Organizational Structure

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.

As of June 1, 2021, we own 60.9% of the outstanding common units in the Operating Partnership and outside investors own 39.1%. 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 82.1%, assuming the sale of 1,250,000 Units in this offering by us at an assumed public offering price of $12.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus, and the redemption of 112,500 shares held by Mr. Sobelman.

The following chart shows the structure of the Company as of June 1, 2021:



(1) Brown Family Enterprises, LLC, owns a redeemable limited partnership interest in GIPFL JV 1106 Clearlake Road, LLC and a redeemable limited partnership interest in GIPNC Etheridge Road, LLC.

(2) GIP Fund I, LLC is a private fund controlled by David Sobelman, our President and Chief Executive Officer, from which we acquired a property in November 2020. Following our acquisition of the property, GIP Fund I was liquidated, and following such liquidation, Mr. Sobelman became the direct owner of an approximately 0.272% interest in GIP LP.

(3) Stephen Brown (37% ownership) and Richard Hornstrom (63% ownership) own a redeemable limited partnership interest in GIPFL 702 Tillman Place LLC.

Summary Risk Factors

An investment in our Units 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 Units. 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 Units, including the following:

- We have not generated any profit to date and have incurred losses since inception.
- Purchasers will suffer immediate and substantial dilution as a result of this offering.
- Investing in the 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.
- 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.
- We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.
- Our President, Chief Executive Officer, and Chairman of the Board will continue to have the ability to exercise substantial control over corporate actions and decisions.
- We depend on distributions from the Operating Partnership to pay expenses.

- 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 currently only own nine leased properties.
- 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.
- 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.
- 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.
- Global market and economic conditions, including as a result of health crises may materially and adversely affect us and our tenants.
- We may be adversely affected by unfavorable economic changes in the specific geographic areas where our investments are concentrated.
- Competition with third parties in acquiring properties and other investments may reduce our profitability and the 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 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.
- 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.

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"). Our Board of Directors has waived these limits for Mr. Sobelman, who owns 225,004 shares of our common stock, provided that the waiver is conditioned on Mr. Sobelman's 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

Securities Offered by us:	1,250,000 Units, each Unit consisting of one share of our common stock and one Warrant to purchase one share of our common stock. Each Warrant will have an exercise price equal to 100% of the public offering price of one Unit, is exercisable immediately and will expire five years from the date of issuance. The Units will not be certificated or issued in stand-alone form. The shares of our common stock and the Warrants comprising the Units are immediately separable upon issuance and will be issued separately in this offering.
Number of shares of Common Stock Offered by us:	1,250,000 shares (or 1,437,500 shares if the over-allotment option for shares is exercised in full).
Number of Warrants offered by us:	Warrants to purchase 1,250,000 shares of common stock (or Warrants to purchase 1,437,500 shares of common stock if the over-allotment option for Warrants is exercised in full).
Common Stock Outstanding After this Offering:	1,720,367 shares.*
Market for the Securities 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 and Warrants on the Nasdaq Capital Market under the symbol "GIPR" and "GIPRW," respectively. If our application is not approved or we otherwise determine that we will not be able to secure the listing of our common stock and Warrants 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 underwriters an option, exercisable within 45 days after the closing of this offering, to purchase up to an additional 187,500 shares of common stock and/or additional 187,500 Warrants, solely for the purpose of covering over-allotments, if any.
Description of Warrants:	Each Warrant will have an exercise price per share of 100% of the public offering price per Unit, will be exercisable immediately and will expire on the fifth anniversary of the original issuance date. Each Warrant is exercisable for one share of common stock, subject to cashless exercise provisions, and subject to adjustment in the event of stock dividends, stock splits, stock combinations, reclassifications, reorganizations or similar events affecting our common stock as described herein. Each holder of purchase Warrants will be prohibited from exercising its Warrant for shares of our common stock if, as a result of such exercise, the holder, together with its affiliates, would own more than 4.99% of the total number of shares of our common stock then issued and outstanding. However, any holder may increase such percentage to any other percentage not in excess of 9.8%. The terms of the Warrants will be governed by a Warrant Agent Agreement, dated as of the effective date of this offering, between us and VStock LLC, as the warrant agent (the "Warrant Agent"). This offering also relates to the offering of the shares of common stock issuable upon the exercise of the Warrants. For more information regarding the Warrants, you should carefully read the section titled "Description of Securities—Warrants" in this prospectus.
Use of Proceeds:	We estimate that we will receive net proceeds from this offering of approximately $12.6 million (or approximately $15.0 million if the 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 $12.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus. 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 underwriters. Under these agreements, we and each of these persons may not, without the prior written approval of the underwriters, 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 111 of this prospectus.
Risk Factors:	Investing in our securities involves risks. You should carefully read and consider the information set forth under the heading "Risk Factors" beginning on page 16 and other information included in this prospectus before investing in our Units.

* The number of shares of our common stock to be outstanding after this offering is based on 582,867 shares of common stock outstanding as of June 1, 2021 and excludes as of such date:

  - 100,000 warrants outstanding to purchase up to 100,000 shares of our common stock at an exercise price of $20.00 per share;
  - 24,833 unvested shares of restricted stock;
  - 474,222 shares of common stock that can be converted from limited partnership units from Generation Income Properties, L.P. and two of its subsidiaries;
  - shares of our common stock issuable upon the exercise of Warrants to be issued to investors in this offering;
  - shares of our common stock that may be issued upon exercise of the Representative's warrants, which represents 9.0% of the number of shares of common stock being offered hereby, at an exercise price of $15.00 per share, or 125% of the public offering price; and
  - shares that may be issued by us upon exercise of the over-allotment option.

We entered into an agreement with Mr. Sobelman to repurchase 112,500 shares of his shares of common stock for an aggregate sum of $10.00 effective upon the execution of an underwriting agreement in connection with this offering (which agreement will be terminated if this offering is abandoned or not completed prior to September 30, 2021). The number of shares to be outstanding after the offering gives effect to such redemption.

RISK FACTORS

An investment in our Units involves risks. In addition to other information in this prospectus, you should carefully consider the following risks before investing in our Units. 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 Units. Some statements in this prospectus, including statements in the following risk factors, constitute forward-looking statements.

Risks Related To This Offering

The coronavirus outbreak could have an adverse effect on our business.

Coronavirus (COVID-19) has spread rapidly across the globe, including the U.S. The pandemic is having an unprecedented impact on the U.S. economy as federal, state and local governments react to this public health crisis, which has created significant uncertainties. These uncertainties include, but are not limited to, the potential adverse effect of the pandemic on the economy, our tenants, customer sentiment in general and general store traffic. For example, if our tenants suffer financially due to the impact of the pandemic, we may experience hardships in collecting rent from our tenants. As the pandemic continues to grow, consumer fear about becoming ill with the virus and recommendations and/or mandates from federal, state and local authorities to avoid large gatherings of people or self-quarantine may continue. To date, we have not experienced any adverse impacts from COVID-19 on our current tenant arrangements. However, the extent of the impact of the pandemic on our business and financial results will depend largely on future developments, including the duration of the spread of the outbreak within the U.S., the impact on capital and financial markets and the related impact on consumer confidence and spending, all of which are highly uncertain and cannot be predicted. This situation is changing rapidly, and additional impacts may arise that we are not aware of currently.

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

We generated $3.5 million and $1.7 million in rental revenues for the years ended December 31, 2020 and 2019, respectively, and $937 thousand of rental revenues for the three months ended March 31, 2021 and we have cumulative net losses of approximately $4.6 million from inception to March 31, 2021. We may never become profitable and you may lose your entire investment. As of April 30, 2021, we had total cash (unrestricted and restricted) of approximately $0.8 million, properties with a cost basis of $43.8 million and outstanding debt of approximately $31.4 million.

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

Purchasers of shares of our common stock as part of our Units offered by this prospectus will suffer immediate and substantial dilution of their investment. Assuming all of the Units are sold in this offering at an assumed public offering price of $12.00, which is the midpoint of the price range indicated on the cover page of this prospectus, purchasers in this offering will suffer immediate dilution of approximately $2.35 per share in the net tangible book value of the common stock. If any of the Warrants are exercised, there will be further dilution. In addition, after 120 days after the Warrants are issued in this offering, any Warrant may be exercised on a cashless basis for 10% of the shares underlying the Warrant if the volume-weighted average trading price of our shares of common stock on Nasdaq is below the then-effective exercise price of the Warrant for 10 consecutive trading days. If any such cashless exercise occurs, it will result in additional dilution to our stockholders and no additional proceeds to us in connection with the exercise. See “Dilution” in this prospectus for a more detailed discussion of the dilution purchasers will incur in this offering.

Investing in the 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, Chief Executive Officer, 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 582,867 shares of common stock are currently issued and outstanding as of June 1, 2021. 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 the 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 and Warrants listed on the Nasdaq. We can provide no assurance that our shares and Warrants, 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 and Warrants listed on the Nasdaq. Listing of our securities on the Nasdaq is a condition to completing this offering. We anticipate that our securities 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 securities will develop and continue. As a result, you may find it more difficult to purchase and dispose of our securities. 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 securities could be delisted from the Nasdaq. Any such delisting of our securities could have an adverse effect on the market price of, and the efficiency of the trading market for, our securities, not only in terms of the number of shares and Warrants 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.

Warrants are speculative in nature.

The Warrants offered in this offering generally do not confer any rights of common stock ownership on their holders, such as voting rights or the right to receive dividends (other than non-cash dividends), but rather merely represent the right to acquire shares of our common stock at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire the common stock and pay an exercise price equal to 100% of the public offering price of a Unit, prior to five years from the date of issuance, after which date any unexercised Warrants will expire and have no further value. In addition, after 120 days after the Warrants are issued in this offering, any Warrant may be exercised on a cashless basis for 10% of the shares underlying the Warrant if the volume-weighted average trading price of our shares of common stock on Nasdaq is below the then-effective exercise price of the Warrant for 10 consecutive trading days. There is no established trading market for the Warrants and, although we have applied to list the Warrants on Nasdaq, there can be no assurance that an active trading market will develop.

Holders of the Warrants will have no rights as a common stockholder until they acquire our common stock.

Until holders of the Warrants acquire shares of our common stock upon exercise of the Warrants, the holders will, with certain limited exceptions, have no rights with respect to shares of our common stock issuable upon exercise of the Warrants. Upon exercise of the Warrants, the holder will be entitled to exercise the rights of a common stockholder as to the security exercised only as to matters for which the record date occurs after the exercise.

There is no established market for the Warrants to purchase shares of our common stock being offered in this offering.

There is no established trading market for the Warrants. Although we have applied to list the Warrants on Nasdaq there can be no assurance that there will be an active trading market for the Warrants. Without an active trading market, the liquidity of the Warrants will be limited.

Provisions of the Warrants offered by this prospectus could discourage an acquisition of us by a third party.

Certain provisions of the Warrants offered by this prospectus could make it more difficult or expensive for a third party to acquire us. The Warrants prohibit us from engaging in certain transactions constituting "fundamental transactions" unless, among other things, the surviving entity assumes our obligations under the Warrants. These and other provisions of the Warrants offered by this prospectus could prevent or deter a third party from acquiring us even where the acquisition could be beneficial to you.

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;
- adverse impacts of the coronavirus on our tenants or the economy in general;
- 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.

We may be subject to securities litigation or other litigation, which is expensive and could divert management attention.

Our share price may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. In addition, several initial investors in our common stock in our initial offering under Regulation A have expressly communicated to management about their general displeasure with management, our current stock price and/or lack of liquidity and their inability to trade our common

stock. Although these stockholders have not to our knowledge threatened legal action or asserted specific legal claims against the Company, one stockholder has made a statutory demand for certain stockholder and business information (in response to which we have provided the requested information, which was primarily publicly available information), and there is no assurance that these stockholders will not make an assertion of a legal claim in the future. Accordingly, we may be the target of securities related litigation or other similar litigation in the future. Litigation of this type could result in substantial costs and diversion of management's attention and resources, which could have a material adverse effect on business, financial condition, results of operations and prospects. Any adverse determination in litigation could also subject us to significant liabilities.

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 $853,000 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, Chief Executive Officer, and Chairman of the Board will continue to have the ability to exercise substantial control over corporate actions and decisions.

As of June 1, 2021, our President, Chief Executive Officer, and Chairman of the Board, Mr. Sobelman, owned approximately 39.0% 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 6.5% of our outstanding common stock assuming the sale of 1,250,000 Units in this offering by us at an assumed public offering price of $12.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus, and the redemption of 112,500 of his shares by us. In addition, following the liquidation of GIP Fund I, Mr. Sobelman directly owns an approximate 0.272% interest in our operating partnership. 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 nine 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 nine leased properties.

We currently own nine properties. We need to raise funds to acquire additional properties to lease in order to grow and generate additional revenue. Because we only own nine 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. Currently, 62% of our properties are office space 18% of our properties are industrious and 20% are retail space based on base rent as of April 30, 2021.

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 the 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 April 30, 2021, we had a secured non-convertible promissory note to the Clearlake Preferred Member for $1.1 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.

As of April 30, 2021, we had three promissory notes totaling approximately $24.2 million requiring Debt Service Coverage Ratios (also known as "DSCR") of 1.25:1.0, one promissory note totaling $3.4 million requiring DSCR of 1.10:1.0, one promissory note totaling $0.9 million requiring DSCR of 1.15:1.0, one promissory note totaling $1.3 million requiring DSCR of 1.20:1.0 and one promissory note totaling $1.3 million requiring DSCR of 1.30:1.0. We were in compliance with all covenants as of March 31, 2021. The remaining promissory note totaling $1.1 million does not have a DSCR.

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, our ability to identify risks is limited. Thus, we may, in the course of our activities, incur losses due to these risks.

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 securities. 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 Units, our securities 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 the Company through March 31, 2021, we had a cumulative net loss of approximately $4.6 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 the 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 the 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;
- adverse impacts of the coronavirus on our tenants or the economy in general;
- 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, health pandemics 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 four 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; Maersk Inc. 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 nine properties, which are located in Virginia (2 properties), Florida (4 properties), Alabama (1 property), North Carolina (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. In addition, our focus on coastal properties subjects us to the risk of rising sea levels, potential flooding, increased frequency or severity of hurricanes or other natural disasters as a result of climate change and global warming, which risk is increased given our geographic concentration. 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. Furthermore, our ability to dispose of certain of our properties is subject to certain limitations imposed by our tax protection agreements.

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. Currently, the economic climate has been negatively impacted by the actions taken by governmental authorities, businesses and individuals in response to the coronavirus pandemic. Our tenants, and therefore, operations will be negatively affected in the event of a prolonged 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, including as a result of health crises may materially and adversely affect us and our tenants.

If the U.S. economy were to continue to experience adverse economic conditions as a result of the coronavirus or otherwise, such as high unemployment levels, such conditions 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, protests, riots 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.

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 three of our properties through joint ventures, which may lead to disagreements with our joint venture partner and adversely affect our interest in the joint ventures.

We currently own three properties through joint ventures and we may enter into additional joint ventures in the future. Our joint venture partners, 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 the 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 April 30, 2021, we had total cash (unrestricted and restricted) of approximately $0.8 million, properties with a cost basis of $43.8 million and outstanding debt of approximately $31.4 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 April 30, 2021, we had three promissory notes totaling approximately $24.2 million requiring Debt Service Coverage Ratios (also known as "DSCR") of 1.25:1.0, one promissory note totaling $3.4 million requiring DSCR of 1.10:1.0, one promissory note totaling $0.9 million requiring DSCR of 1.15:1.0, one promissory note totaling $1.3 million requiring DSCR of 1.20:1.0 and one promissory note totaling $1.3 million requiring DSCR of 1.30:1.0. We were in compliance with all covenants as of March 31, 2021. The remaining promissory note totaling $1.1 million does not have a DSCR. 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 the 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 the 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 three full-time employees and are therefore entirely dependent on the efforts of our President and our Chief Financial Officer, who currently serves on a part time basis. 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, Chief Executive Officer, and Chairman of the Board has guaranteed certain of our indebtedness, which could constitute a conflict of interest.

Our President, Chief Executive Officer, 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, Chief Executive Officer, 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, Chief Executive Officer, 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, Chief Executive Officer, 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.

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, 2021. 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. Also, 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. Moreover, if any of our initial properties acquired before we qualified as a REIT were to be sold within five years after electing REIT status, the disposition could give rise to gain that would be subject to corporate income tax. To qualify as a REIT, we may not have, at the end of any taxable year, any undistributed earnings and profits that are attributable to a "C" corporation taxable year. We do not believe we will have any undistributed "C" corporation earnings and profits, but in the event we do accumulate any non-REIT earnings and profits, we intend to distribute such non-REIT earnings and profits before the end of our first REIT taxable year to comply with this requirement. There can be no assurance that the IRS would not take the position that the distribution procedure is not available, in which case we would fail to qualify as a REIT.

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. Upon the election to be taxed as a REIT for our taxable year ending December 31, 2021, the closely held test should become relevant in July of 2022. 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 225,004 shares of our common stock, or about 39.0%. 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. Through taxable years ending December 31, 2025, the top effective rate applicable to ordinary dividends from REITs is 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). 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.

Our tax protection agreements could give rise to material liability.

We have entered into a tax protection agreement with each of Greenwal, L.C. and Riverside Crossing, L.C., in connection with their respective contributions of property to us in June 2019. These agreements limit our ability to dispose of any interest in those contributed properties in a taxable transaction prior to the seventh anniversary of the applicable contribution date. Upon such a disposition, subject to certain exceptions (such as a tax-deferred Section 1031 like-kind exchange), we are required to indemnify Greenwal, L.C. and Riverside Crossing, L.C. and their indirect owners for their federal, state and local income tax liabilities attributable to the built-in gain that existed with respect to such contributed property as of the contribution date, plus in certain instances, an additional amount so that after the counterparty (or certain other parties) has paid any federal, state and local income taxes on the tax indemnity payments received, including any additional amounts, it has received an amount equal to the additional federal, state and local income taxes incurred. Moreover, the agreements require a similar indemnification obligation if, during the seven-year period from the applicable contribution date, we do not maintain a certain minimum level of nonrecourse debt secured by the contributed property or fail to offer the contributors the opportunity to guarantee any replacement debt upon a future repayment, retirement, refinancing or other reduction (other than a scheduled amortization) of currently outstanding debt on their respective contributed property. We agreed to these provisions to facilitate the property acquisitions and assist the contributors in deferring the recognition of taxable gain as a result of their contribution of the properties to us. At the time of contribution, the approximate appraised value of the property contributed by Greenwal, L.C. was $11.8 million, and the approximate value of the property contributed by Riverside Crossing, L.C. was $7.1 million.

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 $12.6 million (or approximately $15.0 million if the 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 $12.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus.

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 $500,000 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 underwriters, 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 Units included the following:

- the information included in this prospectus;
- the valuation multiples of publicly traded companies that we or the underwriters believe 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.

CAPITALIZATION

The following table sets forth our historical combined cash and cash equivalents and capitalization as of March 31, 2021 on an actual basis, and as adjusted to give effect to the sale by us of 1,250,000 Units in this offering at the assumed public offering price of $12.00 per Unit, which is at the midpoint of the range set forth on the cover of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" as well as our consolidated financial statements and related notes appearing elsewhere in this prospectus.

	As of March 31, 2021	
	Historical (unaudited)	As Adjusted (1)
Cash and cash equivalents(2)	$ 699,767	$ 13,312,767
Debt:		
Mortgage loans, net	29,551,991	29,551,991
Note payable	1,100,000	1,100,000
Total Debt	$ 30,651,991	$ 30,651,991
Redeemable Non-controlling interest	9,184,431	9,184,431
Equity:		
Common Stock, $0.01 par value per share; 100,000,000 shares authorized, actual; 582,867 shares issued and outstanding, actual; 100,000,000 shares authorized, as adjusted; 1,720,367 shares issued and outstanding, as adjusted(1)	5,829	18,329
Additional paid-in capital	5,520,450	18,120,950
Accumulated deficit	(4,649,671)	(4,649,671)
Total stockholders' equity before non-controlling interest	876,608	13,489,608
Total Capitalization	$ 40,713,030	$ 53,326,030

(1) The outstanding number of shares on an as adjusted basis includes (1) 470,367 shares of common stock issued and outstanding as of the date of this prospectus (giving effect to the redemption of 112,500 shares owned by David Sobelman) and (2) 1,250,000 shares of common stock issued in this offering. The number of shares issued and outstanding does not include (a) any shares which may be issued in connection with the exercise of the over-allotment option (b) any shares which may be issued in exchange for operating partnership units or (c) shares of common stock issuable upon the exercise of Warrants to be issued to investors in this offering.

(2) Includes $184,800 of restricted cash, $150,000 of which was released on May 12, 2021.

DILUTION

As of March 31, 2021, our historical net tangible book value was $8.6 million, or $8.09 per share of our common stock. Our historical net tangible book value is the amount of our total tangible assets less our liabilities but excluding intangible 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 March 31, 2021; adjusted for the Conversion of Redeemable Non-Controlling Interests for 474,222 common shares.

Our as adjusted net tangible book value as of March 31, 2021, which is our net tangible book value at that date, after giving effect to the sale of 1,250,000 Units in this offering by us at an assumed public offering price of $12.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, would have been $12.6 million, or $9.65 per share. This amount represents an immediate increase in net tangible book value of $1.56 per share to our existing stockholders and an immediate dilution of $2.35 per share to investors purchasing common stock as part of the Units 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	$12.00
Historical net tangible book value per share as of March 31, 2021	$ 8.09
Increase in net tangible book value per share attributable to new investors purchasing shares in this offering	$ 1.56

As adjusted net tangible book value per share after giving effect to this offering	$ 9.65
Dilution per share to investors participating in this offering	$ 2.35

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 $1.00 increase in the assumed public offering price of $12.00 per Unit, would further increase the as adjusted net tangible book value per share after this offering by $0.51 per share and the dilution per share to investors participating in this offering by $0.49 per share, assuming that the number of Units 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. Each $1.00 decrease in the assumed public offering price of $12.00 per Unit, would further decrease the as adjusted net tangible book value per share after this offering by $0.52 per share and the dilution per share to investors participating in this offering by $0.48 per share, assuming that the number of Units 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 Units we are offering. An increase of 100,000 in the number of Units offered by us would increase our as adjusted net tangible book value per share by approximately $0.05, and decrease the dilution per share to investors participating in this offering by $0.05, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A decrease of 100,000 in the number of Units offered by us would decrease our as adjusted net tangible book value per share by approximately $0.07, and increase the dilution per share to investors participating in this offering by $0.07, 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 Units we offer in this offering, and other terms of this offering determined at pricing.

If the underwriters exercise their option to purchase additional Shares and/or Warrants in full, the as adjusted net tangible book value after giving effect to the offering would be $9.75 per share, representing an increase in as adjusted net tangible book value after giving effect to this offering to existing stockholders of $1.66 per share and immediate dilution of $2.25 per share to investors purchasing common stock as part of the Units in this offering.

The above discussion and table is based on 1,057,089 outstanding shares of common stock as of March 31, 2021, including the assumed conversion of limited partnership units from Generation Income Properties L.P. and one of its subsidiaries into 474,222 shares of common stock and excludes as of such date:

- outstanding warrants to purchase up to 100,000 shares of our common stock at an exercise price of $20.00 per share;
- 24,833 unvested shares of restricted stock; and
- shares of our common stock issuable upon the exercise of Warrants to be issued to investors in this offering.

In addition, except as otherwise indicated, the information above reflects and assumes no exercise by the underwriters of their option to purchase additional 187,500 Shares and/or Warrants and no exercise of the warrants to be issued to the Representative in the offering.

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

We intend to operate in a manner that will allow us to qualify as a REIT for federal income tax purposes. 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."

Although we anticipate making quarterly distributions to our stockholders over time, our board of directors has the sole discretion to determine the timing and amount of any distributions to our stockholders. As such, we cannot provide any assurance as to the amount or timing of future distributions.

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, borrowings, proceeds from the sale of equity securities 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. To be able to pay such dividends, our goal is to generate cash distributions from operating cash flow and proceeds from the sale of properties. However, until we generate sufficient cash flows, we expect our distributions will be from a combination of operating cash flows and offering proceeds.

Distributions made by us will be authorized and determined by our board of directors in its sole discretion out of funds legally available therefor and will be dependent upon a number of factors, including restrictions under applicable law and other factors described below. We cannot assure you that our distributions will be made or sustained or that our board of directors will not change our distribution policy in the future. Any distributions that we pay in the future will depend upon our actual results of operations, economic conditions, debt service requirements, capital expenditures and other factors that could differ materially from our current expectations. Our actual results of operations will be affected by a number of factors, including our revenue, operating expenses, interest expense and unanticipated expenditures. With the proceeds from this offering, we do not currently expect that our quarterly dividends will change materially from the dividends in March 2021. For more information regarding risk factors that could materially adversely affect our actual results of operations, see "Risk Factors."

The following is a summary of distributions declared per share for the years ended December 31, 2019 and 2020 and for the period from January 1, 2021 through April 30, 2021:

Board of Directors Authorized Date	Record Date	Per Share Cash Dividend to Common Shareholders	Total Dividends Paid	President's Ownership at time of Distribution
May 20, 2019	May 1, 2019	$0.42	$119,676	44.1%
October 18, 2019	October 1, 2019	$0.42	$126,100	42.8%
January 31, 2020	February 28, 2020	$0.35	$105,101	42.8%
June 23, 2020	July 2, 2020	$0.35	$105,084	42.8%
October 30, 2020	November 17, 2020	$0.35	$123,171	39.0%
February 26, 2021	March 15, 2021	$0.325	$114,373	39.0%

David Sobelman, our President, Chief Executive Officer and founder and current waived his distribution for these periods and is expected to continue to waive his distribution until our distribution are fully covered by our cash flow, including distribution on Mr. Sobelman's shares. However, Mr. Sobelman will be entitled to receive future distribution and his past waivers for these distribution does not act as a waiver for future distribution. From inception through the date of this prospectus, we have distributed approximately $853,000 to common stockholders.

OUR BUSINESS

Our Company

We are an internally managed real estate investment company focused on acquiring and managing income-producing retail, office and industrial properties net leased to high quality tenants in major markets throughout the United States. With interest rates at historical lows, we believe our focus on owning properties leased to investment grade or creditworthy tenants provide attractive risk adjusted returns through current yields, long term appreciation and tenant renewals. As of April 30, 2021, approximately 80% of our annualized rent was received from tenants that have (or whose parent company has) an investment grade credit rating of "BBB-" or higher and 100% of our rent was paid on a timely basis.

We believe that single-tenant commercial properties, as compared with shopping centers, 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.

Given the stability and predictability of the cash flows, many net leased properties are held in family trusts, providing us an opportunity to acquire these properties for tax deferred units while giving the owners potential liquidity through the conversion of the units for freely tradable shares of stock.

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, 2021. 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 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.

As of June 1, 2021, we own 60.9% of the outstanding common units in the Operating Partnership and outside investors own 39.1%. 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 82.1%, assuming the sale of 1,250,000 Units in this offering by us at an assumed public offering price of $12.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus, and the redemption of 112,500 shares held by Mr. Sobelman.

Business Objectives and Investment Strategy

We intend to acquire and manage a diversified portfolio of high quality net leased properties that generates predictable cash flows and capital appreciation over market cycles. We expect that these properties generally will be net leased to a single tenant. Under a net lease, the tenant typically bears the responsibility for most or all property related expenses such as real estate taxes, insurance, and maintenance costs. We believe this lease structure provides us with stable cash flows over the term of the lease, and minimizes the ongoing capital expenditures. We seek to identify properties in submarkets with high barriers to entry for development and where valuation is frequently influenced by local real estate market conditions and tenant needs.

Focus on Real Estate Fundamentals: We have observed that the market for properties with bond type net leased structures, lease terms greater than ten years, and limited rent escalators upon renewal are exposed to many of the same operational and market risks as other net leased properties while providing lower returns due to competition. We believe that focusing on traditional real estate fundamentals allows us to target properties with shorter lease terms, modified net leases or vacancy and thereby may allow us to generate superior returns.

Target Markets with Attractive Characteristics: We plan to concentrate our investment activity in select target markets with the following characteristics: high quality infrastructure, diversified local economies with multiple economic drivers, strong demographics, pro-business local governments and high quality local labor pools. We believe that these markets offer a higher probability of producing long term rent growth and capital appreciation.

Target Strategic Net Leased Properties: We target properties that offer unique strategic advantages to a tenant or an industry and can therefore be acquired at attractive yields relative to the underlying risk. We look for properties that are difficult or costly to replicate due to a specific location, special zoning, unique physical attributes, below market rents or a significant tenant investment in the facility, all of which contribute to a higher probability of tenant renewals. Examples of specialized properties include our Pratt & Whitney manufacturing facility located in Huntsville, Alabama whose specialized equipment is unique to such a facility and the GSA (US Navy) occupied building in Norfolk, Virginia due to the tenant's buildout for IT and security. We target properties if we believe they are critical to the ongoing operations of the tenant and the profitability of its business. We believe that the profitability of the operations and the difficulty in replicating or moving operations reflect the importance of the property to the tenant's business.

Target Investments that Maximize Growth Potential: We focus on net leased investment properties where, in our view, there is the potential to invest incremental capital to accommodate a tenant's business, extend lease terms and increase the value of a property. We believe these opportunities can generate attractive returns due to the nature of our relationship with the tenant.

Disciplined Underwriting & Risk Management

We actively manage and regularly review each of our properties for changes in the underlying business, credit of the tenant and market conditions. Before acquiring a property, we review the terms of the management contract to ensure our team is able to maximize cash flow capital appreciation through potential lease renewals and/or potential re-tenanting. Additionally, we monitor any required capital improvements that would lead to increased rental income or capital appreciation over time. We focus on active management with the tenants upon the acquisition of an asset since our experience in the single-tenant, commercial real estate industry indicates that active management and fostering tenant relationships has the potential to positively impact long-term financial outcomes, such as:

- better communication with corporate level and unit level staff to determine ongoing company and location-specific performance, strategic goals and directives;
- the ability to hold a tenant accountable for property maintenance during occupancy in order to reduce the probability of future deferred maintenance expenses; and
- the ability to develop relationships with tenants as an active participant in their occupancy which can lead to better communication during times of potential negotiations.

Underwriting Process

Our extensive underwriting process evaluates key fundamental value drivers that we believe will attract long-term tenants and result in property appreciation over time. This comprehensive pre-ownership analysis led by our CEO (David Sobelman, who has over 15 years in different capacities within the net lease commercial real estate) helps us to assess location level performance, including the possible longevity of tenant occupancy throughout the primary lease term and option periods.

We assess target markets and properties using an extensive underwriting and evaluation process, including:

- offering materials review;
- property and tenant lease information;
- in depth conversations with offering agent, local brokers and property management companies;
- thorough credit underwriting of the tenant;
- review of tenant's historical performance in the specific market and their nationwide trend to determine potential longevity of the asset and tenant's business model;
- market real estate dynamics, including macroeconomic market data and market rents for potential rental rate changes after initial lease term;
- evaluation of business trends for local real estate demand specifics and competing business locations;
- review of asset level financial performance;
- pre-acquisition discussions with asset manager to confirm property specific reserve amounts and potential future capital expenditures;
- review of property's physical condition and related systems; and
- financial modeling to determine our preliminary baseline pricing.

Specific acquisition criteria may include, but is not limited to, the following:

- properties with existing, long-term leases of approximately seven years or greater;
- premier locations and facilities with multiple alternative uses;
- sustainable rents specific to a tenants' location that may be at or below market rents;
- investment grade or strong credit tenant;
- properties not subject to long-term management contracts with management companies;
- opportunities to expand the tenants' building and/or implement value-added operational improvements; and
- population density and strong demand growth characteristics supported by favorable demographic indicators.

Competitive Strengths

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

- *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.
- *Experienced Board of Directors.* We believe that we have a seasoned and experienced board of directors that will help us achieve our investment objectives. In combination, our directors have approximately 110 years of experience in the real estate industry.
- *Real Estate Industry Leadership and Networking.* We are led by our Chairman, Chief Executive Officer, and President, David Sobelman. He founded the Company after serving in different capacities within the net lease commercial real estate market. Mr. Sobelman has held various roles within the single tenant, net lease commercial real estate investment market over the past 18 years, including investor, asset manager, broker, owner, analyst and advisor. Mr. Sobelman started his real estate career in 2003 as a real estate analyst and ultimately emerged into a Managing Partner of a solely-focused, triple net lease commercial real estate firm. He has procured or overseen numerous transactions that ranged from small, private investments to portfolio transactions with individual aggregate values of approximately $69 million. Additionally, Mr. Sobelman considers himself a pioneer in implementing hands-on management of net leased properties in order to potentially maintain or increase the value of any one asset. He has overseen or actively participated in single tenant real estate management since 2010.
- *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.
- *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.
- *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. Initially, we intend to target aggregate borrowings equal to approximately 50% or less of our total assets after we have invested the proceeds of this offering. Individual 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.

Our Current Portfolio

The following are characteristics of our nine properties as of April 30, 2021:

- *Creditworthy Tenants.* Approximately 80% of our portfolio's annualized base rent as of April 30, 2021 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.
- *100% Occupied.* Our portfolio is 100% leased and occupied.
- *Contractual Rent Growth.* Approximately 68% of the leases in our current portfolio (based on annualized base rent as of April 30, 2021) provide for increases in contractual base rent during future years of the current term or during the lease extension periods.
- *Average Effective Annual Rental per Square Foot*. Average effective annual rental per square foot is $18.12.

The table below presents an overview of the nine properties in our portfolio as of April 30, 2021, unless otherwise indicated:

Property Type	Property Location	Rentable Square Feet	Tenant(s)	S&P Credit Rating (1)	Lease Expiration Date	Remaining Term (Years) (5)	Options (Number x Years)	Tenant Contractual Rent Escalations	Annualized Base Rent (2)	Annualized Base Rent Sq. Ft.	Base Rent as a % of Total
Retail	Washington, DC	3,000	7-Eleven Corporation	AA-	3/31/2026	4.9	2 x 5	Yes	$129,804	$43.27	3.5%
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	6.8	4 x 5	Yes	$182,500	$82.95	4.9%
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	7.8	2 x 5	Yes	$684,996	$11.59	18.4%
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	7/31/2028 (3)	7.3	8 x 5	No	$313,480	$20.73	8.4%
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and	AA+	9/17/2028	7.4	—	No	$882,476	$17.68	23.8%
	Norfolk, VA	22,247	Maersk Line, Limited	BBB-	12/31/2022	1.7	1 x 5	Yes	$375,588	$16.88	10.1%
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB+	8/31/2027	6.3	1 x 5	Yes	$721,214	$20.70	19.4%
Retail	Tampa, FL	3,500	Sherwin-Williams	BBB	7/31/2028	7.3	5 x 5	Yes	$120,750	$34.50	3.2%
Office	Manteo, NC	7,543	General Services Administration	AA+	2/20/2029	7.8	1 x 5	Yes	$161,346	$21.39	4.3%
Office	Tampa, FL	7,826	Irby Construction Company	BBB	12/31/2024	3.7	2 x 5	Yes	$148,200	$18.94	4.0%
Total		**205,276**							**$3,720,354**		

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash rental income in place as of April 30, 2021. Our leases do not include tenant concessions or abatements.
(3) The lease runs through July 31, 2068. However, the 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, July 31, 2053, July 31, 2058 and July 31, 2063. We estimate Tenant will stay at least through December 31, 2029. On June 8, 2021, we entered into a purchase and sale agreement to sell our Cocoa, Florida property to a third party for $5.4 million. The sale is subject to customary closing conditions, including a thirty day inspection period for the purchaser to conduct due diligence on the property during which the purchaser may terminate the agreement for any reason without penalty. The closing is expected to occur on or before the sixtieth day following the expiration of the diligence period.
(4) Tenant has the right to terminate the lease on August 31, 2024 subject to certain conditions.
(5) The leases in our current portfolio have a weighted average remaining lease term of approximately 6.4 years (assuming that the Cocoa, Florida lease is terminated by tenant on July 31, 2028 as permitted by the lease).

As of the date of this prospectus, we own the following nine assets:

- On June 29, 2017, we acquired through our wholly-owned Delaware subsidiary, GIPDC 3707 14th 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. Sobelman 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 11, 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. Sobelman 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 11, 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 June 8, 2021, we entered into a purchase and sale agreement to sell our Cocoa, Florida property to a third party for $5.4 million. The sale is subject to customary closing conditions, including a thirty day inspection period for the purchaser to conduct due diligence on the property during which the purchaser may terminate the agreement for any reason without penalty. The closing is expected to occur on or before the sixtieth day following the expiration of the diligence period. In connection with the pending sale of our Cocoa, Florida property, we are obligated to pay the Operating Partnership a cash acquisition fee equal to 1% of the sale price of the property upon the closing of the transaction. We expect to repay the Cocoa American Momentum Loan with the proceeds of the sale of the Cocoa, Florida property in connection with the closing of the transaction and expect that the personal guarantee of Mr. Sobelman with respect to this loan will be released at that time.

- 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 248,250 common units in the Operating Partnership, priced at $20.00 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. The lease was amended in March 2021 which extended the lease through December 31, 2022. Based on an amendment, Maersk has one option to extend the term of the lease for one additional five-year period upon not less than six months written notice. The current base rent of the Maersk Lease is $31,299 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 101,663 common units in the Operating Partnership, priced at $20.00 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 $60,101, 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.

- On November 30, 2020 we acquired through our wholly-owned Delaware subsidiary, GIPFL 508 S Howard Ave, LLC, an approximately 3,500 square foot single-tenant retail building located at 508 S Howard Ave, Tampa, Florida (the "Sherwin Williams Property"), for total consideration of approximately $1.8 million, with The Sherwin-Williams Company as a continuing tenant. The acquisition was funded with the issuance of 24,309 common units in the Operating Partnership, priced at $20.00 per unit, for a total value of $486,180 plus an additional $1,000 in cash, and the assumption of approximately $1.3 million of mortgage debt with Valley Bank (the "Sherwin-Williams Loan"). The Sherwin-Williams Loan matures on August 10, 2028 and Mr. Sobelman has provided a guaranty of the Borrower's recourse carve out liabilities and obligations in favor of Valley Bank. The loan agreement for the Sherwin-Williams 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 Sherwin-Williams Property of not less than 1.20 to 1.0, measured annually on a trailing twelve month basis. The lease with Sherwin-Williams expires on July 31, 2028, with five options to extend the term of the lease for one additional five year period with 10% increase in the base rent upon each extension. The current monthly rent is $10,062. The Sherwin-Williams Company files annual reports on Form 10-K and quarterly reports on Form 10-Q with the SEC.

- On February 4, 2021, we acquired through our wholly-owned Delaware subsidiary, GIPNC 201B Etherridge Road, LLC, an approximately 7,500-square-foot free-standing condominium located at 201B Etheridge Road, Unit 7100 Manteo, North Carolina (the "GSA – Manteo Property") with the General Service Administration of the United States of America as continuing tenant. The acquisition was funded in part with debt financing of approximately $1.3 million and in part with a capital contribution of $0.5 million to our Delaware operating subsidiary, GIPFL JV 1106 Clearlake Road, LLC (the "Manteo NC Subsidiary"), by the holder of all of the outstanding Class A Preferred membership units in the Manteo NC Subsidiary (the "Manteo NC Preferred Member"). The Manteo NC Preferred Member is also the Clearlake Preferred Member described throughout this registration statement. The Manteo NC Preferred Member will be paid a 9% annual preferred return on its capital contribution. The Manteo NC Preferred Member's interest in the Manteo NC 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 Manteo NC Preferred Member after 24 months. The $1.3 million loan incurred in connection with the acquisition of the GSA – Manteo Property is secured by a first priority mortgage on the GSA – Manteo Property in favor of American Momentum Bank (the "Manteo American Momentum Loan"). The loan agreement for Manteo 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 1.3 to 1.0, measured annually. The loan agreement for the Manteo NC American Momentum Loan also provides for a mandatory repayment in full twelve months from the date GSA formally notifies us that it will cease operations at the Manteo NC Property. The Manteo GSA American Momentum Loan matures on February 6, 2023. The GSA Manteo lease term expires on February 20, 2029. The base rent for years one through five of the lease term is $7,607.84 per month, increasing to $8,278.56 per month for years six through ten of the lease term.

- On April 21, 2021, we acquired a single tenant office building (7,800 square feet) located at 702 Tillman Road, Plant City, FL that is leased to Irby Construction Company, a wholly owned subsidiary of Quanta Services Inc., for approximately $1.7 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $0.9 million and by debt financing of approximately $0.9 million, which is guaranteed by our CEO. The lease for the Plant City property is a triple-net lease with an initial term of five years, ending December 31, 2024, with two options to extend the term of the lease for two additional five-year periods. The base rent for the first year of the lease term is approximately $12,350 per month, increasing starting year two based on the Consumer Products Index. We have granted a first lien mortgage in the amount of $0.9 million on the Plant City Property.

COVID-19 Update

To date our business has not been significantly impacted by the COVID-19 pandemic. While several of our national tenants have publicly reported financial challenges they have suffered because of the COVID-19 pandemic, none of our tenants have requested rent abatements or reductions from us. One of our national tenants informed all of its landlords in May about the financial challenges it was suffering and referenced concessions to lease terms and base rent it would request. However, to date that tenant has not requested any concessions from us. While obtaining financing during the COVID-19 pandemic has been challenging, we are beginning to see more lenders enter into new financings for projects like ours. The impact of the COVID-19 pandemic on our business is still uncertain and will be largely dependent on future developments. Please see "Risk Factors" beginning on page 16 for further information.

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 potential acquisitions that fell within our target market. As of the date of this prospectus, however, we are not a party to any binding agreement to purchase any additional properties. 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.

Property and Asset Management Agreements

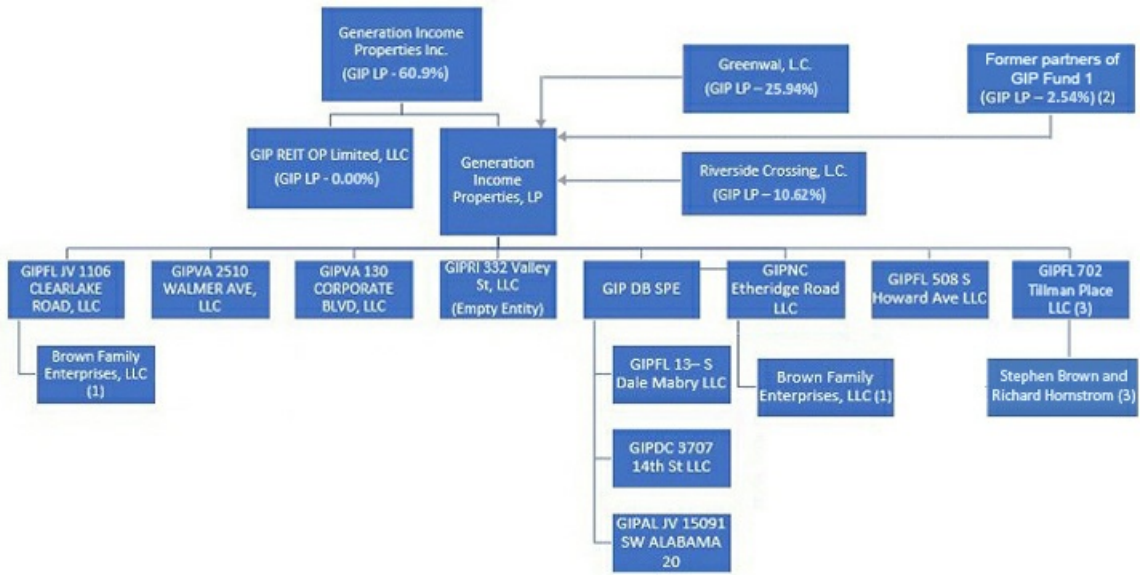
We had previously engaged 3 Properties, a business managed by our President and Chief Executive Officer, to provide asset management services for certain of our properties. These agreements were terminated effective August 31, 2020. We now manage these properties in-house, except for our Norfolk, Virginia properties.

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.

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 the Company as of June 1, 2021:



(1) Brown Family Enterprises, LLC owns a redeemable limited partnership interest in GIPFL JV 1106 Clearlake Road, LLC and a redeemable limited partnership interest in GIPNC Etheridge Road, LLC.

(2) GIP Fund I, LLC is a private fund controlled by David Sobelman, our President and Chief Executive Officer, from which we acquired a property in November 2020. Following our acquisition of the property, GIP Fund I was liquidated, and following such liquidation, Mr. Sobelman became the direct owner of an approximately 0.272% interest in GIP LP.

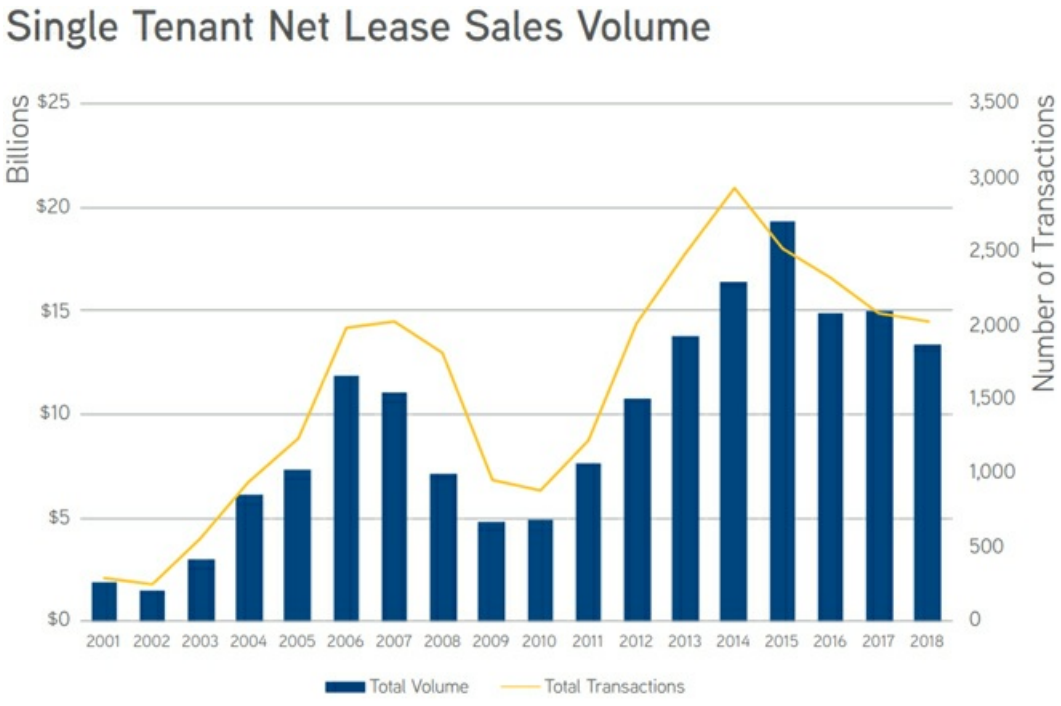
(3) Stephen Brown (ownership 37%) and Richard Hornstrom (ownership 63%) own a redeemable limited partnership interest in GIPFL 702 Tillman Place, LLC.

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

Market

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”

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 June 1, 2021, we had one part-time employee and three full time employees, including David Sobelman, who serves as our Chief Executive Officer, President and Secretary, and Richard Russell who serves as our part-time Chief Financial Officer and Treasurer. We plan to use consultants, attorneys, and accountants, as necessary.

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 in non-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, 2021.

Our Investments

The following are characteristics of our properties as of April 30, 2021:

- *Creditworthy Tenants.* Approximately 80% of our portfolio's annualized rent as of April 30, 2021 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 'BB+' credit rating or better from S&P Global Ratings and contributed approximately 61.5% of our portfolio's annualized base rent as of April 30, 2021.
- *100% Occupied.* Our portfolio is 100% leased and occupied.

- *Contractual Rent Growth*. Approximately 68% of the leases in our current portfolio (based on annualized rent as of April 30, 2021) provide for increases in contractual base rent during future years of the current term or during the lease extension periods.
- *Average Effective Annual Rental per Square Foot.* Average effective annual rental per square foot is $18.12. We generally depreciate all properties on a straight-line basis over a 30 – 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.

As of the date of this prospectus, we have acquired nine 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 below 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. On June 8, 2021, we entered into a purchase and sale agreement to sell the property to a third party for $5.4 million. The sale is subject to customary closing conditions, including a thirty day inspection period for the purchaser to conduct due diligence on the property during which the purchaser may terminate the agreement for any reason without penalty. The closing is expected to occur on or before the sixtieth day following the expiration of the diligence period. In connection with the pending sale of our Cocoa, Florida property, we are obligated to pay the Operating Partnership a cash acquisition fee equal to 1% of the sale price of the property upon the closing of the transaction.
- 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 248,250 common units in our Operating Partnership, priced at $20.00 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 101,663 common units in our Operating Partnership, priced at $20.00 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.
- A single tenant retail building (3,500 square feet) leased to The Sherwin-Williams Company and located at 508 S. Howard Ave in Tampa, FL acquired in November 2020 for total consideration of approximately $1.8 million. The acquisition was funded by issuing approximately 24,309 common units in our Operating Partnership, priced at $20.00 per unit, for a total value of $486,180 and the assumption of approximately $1.3 million of existing mortgage debt which is guaranteed by our CEO.
- A single tenant office building (7,500 square feet) leased to the General Services Administration and located at 201 Etheridge Road, Manteo, NC acquired in February 2021 for approximately $1.7 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $0.5 million and by debt financing of approximately $1.3 million.
- A single tenant office building (7,800 square feet) leased to Irby Construction Company, a wholly owned subsidiary of Quanta Services Inc. and located at 702 Tillman Road, Plant City, FL acquired in April 2021 for approximately $1.7 million. The acquisition was funded with a Redeemable Non-Controlling Interest contribution to one of our subsidiaries of $0.9 million and by debt financing of approximately $0.9 million, which is guaranteed by our CEO.

The table below presents an overview of the nine properties in our portfolio as of April 30, 2021, unless otherwise indicated:

Property Type	Property Location	Rentable Square Feet	Tenant(s)	S&P Credit Rating (1)	Lease Expiration Date	Remaining Term (Years)	Options (Number x Years)	Tenant Contractual Rent Escalations	Annualized Base Rent (2)	Annualized Base Rent Sq. Ft.	Base Rent as a % of Total
Retail	Washington, DC	3,000	7-Eleven Corporation	AA-	3/31/2026	4.9	2 x 5	Yes	$129,804	$43.27	3.5%
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	6.8	4 x 5	Yes	$182,500	$82.95	4.9%
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	7.8	2 x 5	Yes	$684,996	$11.59	18.4%
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	12/31/2029	8.7	8 x 5	No	$313,480	$20.73	8.4%
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and	AA+	9/17/2028	7.4	—	No	$882,476	$17.68	23.8%
	Norfolk, VA	22,247	Maersk Line, Limited	BBB-	12/31/2022	1.7	1 x 5	Yes	$375,588	$16.88	10.1%
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB+	8/31/2027	6.3	1 x 5	Yes	$721,214	$20.70	19.4%
Retail	Tampa, FL	3,500	Sherwin-Williams	BBB	7/31/2028	7.3	5 x 5	Yes	$120,750	$34.50	3.2%
Office	Manteo, NC	7,543	General Services Administration	AA+	2/20/2029	7.8	1 x 5	Yes	$161,346	$21.39	4.3%
Office	Tampa, FL	7,826	Irby Construction Company	BBB	12/31/2024	3.7	2 x 5	Yes	$148,200	$18.94	4.0%
Total		**205,276**							**$3,720,354**		

(1) Tenant, or tenant parent, rated entity.

(2) Annualized cash rental income in place as of April 30, 2021. Our leases do not include tenant concessions or abatements.

(3) This lease runs through July 31, 2068. However, the 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, July 31, 2053, July 31, 2058 and July 31, 2063. We estimate Tenant will stay at least through December 31, 2029. On June 8, 2021, we entered into a purchase and sale agreement to sell our Cocoa, Florida property to a third party for $5.4 million. The sale is subject to customary closing conditions, including a thirty day inspection period for the purchaser to conduct due diligence on the property during which the purchaser may terminate the agreement for any reason without penalty. The closing is expected to occur on or before the sixtieth day following the expiration of the diligence period.

(4) Tenant has the right to terminate the lease on August 31, 2024 subject to certain conditions.

Distributions

From inception through the date of this prospectus, we have distributed approximately $853,000 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 properties.

Three Months Ended March 31, 2021 Compared to the Three Months Ended March 31, 2020

Revenue

During the three-month period ended March 31, 2021, total revenues from operations were $936,888 as compared to $880,638 for the three-month period ended March 31, 2020. Revenues increased approximately $56 thousand due to two additional properties generating revenue for the three months ended March 31, 2021 that were purchased in November 2020 and February 2021, respectively.

Operating Expenses

During the three-month periods ended March 31, 2021 and 2020, we incurred total expenses of $1,258,591 and $1,231,826, respectively which included total general, administrative and organizational ("GAO") of $237,887 for 2021 and $241,364 for 2020. The $3 thousand decrease in GAO expenses is due to a decrease in audit fees of approximately $84 thousand offset in part by increased stock compensation of approximately $29 thousand, increased rent expense of $14 thousand, professional fees of $25 thousand and insurance of $11 thousand.

During the three-month period ended March 31, 2021 and 2020, we incurred building expenses of $180,553 and $189,461, respectively. The $9 thousand decrease is primarily due to reduced maintenance costs of $5 thousand, lower property asset management fees of $9 thousand offset in part by increased property insurance expense of $6 thousand.

During the three-month period ended March 31, 2021 and 2020, we incurred depreciation and amortization expense of $379,511 and $357,018, respectively. The $22 thousand increase is due to the two additional properties acquired since November 2020.

During the three-month period ended March 31, 2021 and 2020, we incurred interest expense and the amortization of debt issuance costs of $354,989 and $376,290 respectively. The $21 thousand decrease in interest expense incurred is the result of $3.4 million of loans in which the interest rates change based on 30 day LIBOR and due to the interest rate reduction from 4.25% to 3.50% in March 2021 for approximately $13.0 million in principal amount of loans secured by our Norfolk, Virginia properties.

During the three-month period ended March 31, 2021 and 2020, we incurred compensation costs of $105,651 and $67,693 respectively. The $38 thousand increase is reflective of additional personnel hires and their related compensation for the three-month period in 2021.

Income Tax Benefit

We did not record an income tax benefit for the three-months ended March 31, 2021 or 2020 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 three-month period ended March 31, 2021 and 2020, we generated a net loss of $321,703 and $351,188, respectively. The decreased loss was the result of two additional properties generating operating profit and decreased GAO costs.

Net Income Attributable to Non-controlling Interests

During the three-month period ended March 31, 2021, we generated net income attributable to non-controlling interests of $150,826 as compared to $142,844 for the three months ended March 31, 2020. The variance is attributable to the increase in distributions provided to the redeemable non-controlling interests because we acquired our Manteo, NC property in February 2021 in part by granting a redeemable non controlling interest.

Net Loss Attributable to Shareholders

During the three-month period ended March 31, 2021 and 2020, we generated a net loss attributable to our shareholders of $472,529 and $494,032, respectively.

Year Ended December 31, 2020 Compared to the Year Ended December 31, 2019

Revenue

During the years ended December 31, 2020 and 2019, we generated rental revenue of $3.5 million and $1.7 million, respectively. The increase in rental revenue is due to the Company owning six properties for 12 months in 2020 and one additional property for one month in 2020, versus owning three properties for 12 months in 2019 and an additional three properties for 6 months in 2019.

Operating Expenses

For the twelve months ended December 31, 2020 and 2019, we incurred general, administrative and organizational expenses of $919 thousand and $937 thousand, respectively, which included professional fees, marketing expenses and other costs associated with running our business. The $18 thousand decrease in expenses is due in part to a $220 thousand decrease in a non-cash expense (issuance of 15,299 shares to a financial advisor) for consulting services in the prior year and an $81 thousand decrease in legal fees as the result of lower costs associated with applying to be quoted on the OTCQB Venture Market offset in part by increased accounting and auditing fees of $163 thousand, and insurance costs of $77 thousand and a $43 thousand increase of other expenses.

During the twelve months ended December 31, 2020 and 2019, we incurred building expenses of $711 thousand and $266 thousand, respectively. The increase is due to the additional properties which were owned for a full twelve months in 2020 versus only three months in 2019. The majority of these expenses are reimbursed by the tenant.

For the twelve months ended December 31, 2020 and 2019, we incurred depreciation and amortization expense of $1.5 million and $666 thousand, respectively. For the twelve months ended December 31, 2020 and 2019, we incurred interest expense of $1.4 million and $683 thousand, respectively. The increase in depreciation and interest expense is due to twelve months of activity for three properties acquired during 2019 and only 3 months of such expenses in 2019 for those three properties.

For the twelve months ended December 31, 2019, we agreed to pay an $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.

For the twelve months ended December 31, 2020 and 2019, we incurred compensation expense of $382 thousand and $108 thousand, respectively. The increase in compensation costs is due primarily to the addition of 3 additional employees including our Chief Financial Officer who was a paid consultant for most of 2019.

Income Tax Benefit

We did not record an income tax benefit for the year ended December 31, 2020 or 2019 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 Income Attributable to Non-controlling interests

During the year ended December 31, 2020, we generated net income attributable to non-controlling interest of $487 thousand as compared to net income of $494 thousand for the year ended December 31, 2019. The variance is primarily attributable to the preferred return on the redeemed non-controlling interest in 2019.

Net Loss Attributable to Shareholders

During the year ended December 31, 2020, we generated a net loss attributable to our shareholders of $1.8 million as compared to a net loss of $1.5 million for the year ended December 31, 2019.

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 April 30, 2021, we had total cash (unrestricted and restricted) of approximately $0.8 million, properties with a cost basis of $43.8 million and outstanding debt of approximately $31.4 million.

We are currently dependent upon the net proceeds from our past offerings 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, an equity offering in the fourth quarter of 2020, debt financing, preferred minority interest obtained from third parties and from any undistributed funds from our operations.

As of March 31, 2021 and the year ended December 31, 2020, we had $0.7 million and $1.1 million, respectively, of cash on hand and in our corporate bank accounts primarily from the proceeds of capital raised in our past offerings and from cash generated from our rental operations. As of March 31, 2021 and the year ended December 31, 2020, we had total current liabilities (excluding the current portion of the acquired lease intangible liability) which consists of accounts payable, accrued expenses, insurance payable of $684 thousand and $565 thousand, respectively. As of March 31, 2021, current mortgage loan payments due within 12 months total $5.0 million which includes $1.1 million due to a related party and $3.4 million due on the Clearlake property both of which we believe can be refinanced at reasonable terms or their due date extended for another 12 months.

We may selectively employ some leverage to enhance total returns to our stockholders. During the period when we are acquiring our current 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 March 31, 2021, December 31, 2020 and 2019, we had $31.3 million, $30.1 million and $28.5 million, respectively, in outstanding borrowings on property with an aggregate cost basis of approximately $42.0 million, $40.3 million and $38.2 million, respectively.

Outstanding indebtedness consisted of the following as of March 31, 2021 and December 31, 2020:

	Interest Rate	Maturity Date	As of March 31, 2021	As of December 31, 2020
Promissory note issued for $3,407,391 by a financial institution. Note was issued on September 11, 2019 and can be prepaid at any time without penalty. Secured by our Walgreen-Cocoa, Florida property.	2.36% adjusted monthly based on 30 day LIBOR plus 225 basis points	9/11/2021	$ 3,407,391	$ 3,407,391
Promissory note issued for $1,286,664 by a financial institution, interest and principal payments due monthly of approximately $3,800 which is calculated based on fixed interest rate of 3.72%. Note was originally issued on January 15, 2015 and modified on November 30, 2020 and can be prepaid at any time without penalty. Secured by out Tampa Sherwin-Williams property.	3.72% fixed rate after using SWAP whereas the loan is LIBOR plus 2.75%	10/23/2024	$ 1,286,664	$ 1,286,664
Promissory note issued for $1,275,000 by a financial institution. Note was issued on February 4, 2021 and can be prepaid at any time without penalty. Secured by our GSA-Mateo, North Carolina property.	3.4% adjusted monthly based on 30 day Wall Street Journal Prime Rate with minimum of 3.25%	2/4/2023	$ 1,275,000	$ —
Promissory note issued for $8,260,000 by a financial institution, interest and principal payments due monthly of approximately $41,500. Note was issued on September 30, 2019 and can be prepaid at any time without penalty. Secured by our GSA/Maersk - Norfolk, Virginia property. The interest rate was reduced in March 2021 from 4.25% to 3.5%.	3.50%	9/30/2024	$ 7,970,279	$ 8,022,271
Promissory note issued for $5,216,749 by a financial institution, interest and principal payments due monthly of approximately $27,400. 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. The interest rate was reduced in March 2021 from 4.25% to 3.5%.	3.50%	10/23/2024	$ 5,005,906	$ 5,041,935
Promissory note issued for $1,900,000 to a Clearlake Preferred Member, secured by all of the personal and fixture property of the Operating Partnership, interest payments due monthly. Note was issued on December 16, 2019 and can be prepaid at any time without penalty.	10.00%	12/16/2021	$ 1,100,000	$ 1,100,000
Promissory note issued for $11,287,500 by a financial institution, interest only payment is approximately $39,000 and starting April 6, 2021, interest and principal payments due monthly of approximately $55,000. Note was issued on February 11, 2020. Secured by our Washington, DC, Tampa, FL and Huntsville, AL properties. It cannot be prepaid without a penalty	4.17%	3/6/2030	$11,287,500	$11,287,500
Less: debt issuance costs, net			(680,749)	(689,190)
			$30,651,991	**$29,456,571**

On November 30, 2020, the Company entered into an interest rate swap to convert the $1,286,664 floating rate promissory note secured by the Tampa Sherwin-Williams property into a fixed rate note. We have determined that the interest rate swap had a nominal fair value through March 31, 2021.

As of March 31, 2021, we had three promissory notes totaling approximately $24.3 million requiring Debt Service Coverage Ratios (also known as "DSCR") of 1.25:1.0, one promissory note totaling $3.4 million requiring DSCR of 1.10:1.0, one promissory note totaling $1.3 million requiring DSCR of 1.20:1.0 and one promissory note totaling $1.3 million requiring DSCR of 1.30:1.0. We were in compliance with all covenants as of March 31, 2021. The loan issued to the Clearlake Preferred member has no DSCR requirements.

As of March 31, 2021, the Company's President has personally guaranteed the repayment of up to fifty percent of the $3.4 million loan secured by our Cocoa Beach property, the repayment of the $11.3 million due under the DC/Tampa/Huntsville loan, the $1.3 million loan secured by our Tampa Sherwin Williams property and the $1.3 million loan secured by our GSA Mateo NC property. The aggregate guaranteed principal amount of these loans total approximately $17.3 million. The Company's President has also provided a guaranty of the Borrower's nonrecourse carve out liabilities and obligations in favor of the lender for the Norfolk, Virginia property loans, with an aggregate principal amount of approximately $13.0 million, and in favor of the lender for the recently acquired Plant City, Florida property with an aggregate principal amount of approximately $0.9 million.

The Company modified the loans for the GSA - Norfolk property and the PRA Norfolk property no fees and reduced the associated interest rate from 4.25% to 3.5%. The Company determined that the debt modification was not substantial under ASC 470-50.

Minimum required principal payments on the Company's debt as of March 31, 2021 are as follows:

	As of March 31, 2021
2021 (nine months)	$ 4,925,619
2022	1,855,784
2023	602,891
2024	12,145,548
2025	252,318
2026 and beyond	11,550,580
	$31,332,740

As of March 31, 2021, we have raised approximately $6,199,000 of gross proceeds from the sale of 309,942 shares of common stock in our initial offering under Regulation A and subsequent private placements.

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 current portfolio, we will employ greater leverage on individual assets (that will also result in greater leverage of the current 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 future 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.

Cash from Operations

Net cash used in operations was $218 thousand during the three months ended March 31, 2021 compared with cash provided by operations of $41 thousand during the three months ended March 31, 2020. This change was due to the payment of working capital items offset in part by a decrease in cash loss in the current year versus the comparable prior year period.

Net cash provided by operations was $0.3 million during the twelve months ended December 31, 2020 compared with $0.3 million used in operations during the twelve months ended December 31, 2019. This improvement was due to an increase in revenue from acquisitions and a reduction in non-recurring expenses paid in the current year versus the comparable prior year.

Cash from Investing Activities

For the three months ended March 31, 2021 net cash used in investing activities was $1.8 million as compared to $226 thousand for the three months ended March 31, 2020. The change is due to the purchase of a $1.7 million property in the first quarter of 2021 versus a roofing project associated with our Walmer building in 2020.

Net cash used in investing activities was $0.3 million and $16.6 million during the twelve months ended December 31, 2020 and 2019, respectively. This decrease was due to the Company only acquiring one property in 2020 with the debt being assumed versus three properties in 2019.

Cash from Financing Activities

Net cash generated by financing activities was $1.6 million for the three months ended March 31, 2021 compared to net cash used in financing activities of $174 thousand for the three months ended March 31, 2020. The change is the result of the 2021 issuance of a redeemable non-controlling interest for $500 thousand and mortgage loan borrowings of $1.3 million, offset in part by $265 thousand of distributions paid to common shareholders and redeemable non-controlling interests as compared to 2020 activity that includes new mortgage borrowings on three properties for $11.3 million which enabled the Company to reduce outstanding debt by $10.7 million, the payment of $105 thousand of distributions, $560 thousand in debt issuance costs and distributions paid to redeemable non-controlling interests of $143 thousand.

Net cash used in financing activities during the twelve months ended December 31, 2020 was $0.3 million as compared to net cash provided by financing activities during the twelve months ended December 31, 2019 of $17.6 million. The change is the result of acquiring $11.3 million of refinancing three mortgage borrowings into one mortgage in 2020 versus $16.9 million of new mortgage borrowings on three properties in 2019. During the twelve months ended December 31, 2020 and 2019, the Company paid mortgage loan repayments of $10.1 million and $0.1 million, respectively. During the twelve months ended December 31, 2019, the Company received $1.2 million from the issuance of a redeemable interest and $1.9 million related party loan.

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 March 31, 2021:

	As of March 31, 2021
2021 (nine months)	$ 2,682,000
2022	3,597,000
2023	3,228,000
2024	3,233,000
2025	3,245,000
Thereafter	8,359,000
	$24,344,000

(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.

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 that is material to investors.

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. We then adjust FFO for amortization of deferred financing costs, non-cash stock compensation, public company consulting fees, and non-recurring litigation expenses and settlements to calculate Core Adjusted Funds From Operations, or Core AFFO. We use FFO and Core FFO as measures of our performance when we formulate corporate goals.

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, and above- and below-market lease related intangibles. We then adjust AFFO for noncash stock compensation, public company consulting fees, and non-recurring litigation expenses and settlements

to calculate Core Adjusted Funds From Operations, or Core AFFO. We use AFFO and Core AFFO as measures 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 believe that Core FFO and Core AFFO are useful measures for management and investors because they further remove the effect of noncash expenses and certain other expenses that are not directly related to real estate operations.

Because FFO excludes depreciation and amortization, gains and losses from property dispositions that are available for distribution to stockholders and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities, general and administrative expenses and interest costs, providing a perspective not immediately apparent from net income. In addition, our management team believes that FFO provides useful information to the investment community about our financial performance when compared to other REITs since FFO is generally recognized as the industry standard for reporting the operations of REITs. However, FFO should not be viewed as an alternative measure of our operating performance since it does not reflect either depreciation and amortization costs or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties which are significant economic costs and could materially impact our results from operations. Nor does it reflect distributions paid to redeemable non-controlling interests (See Note 6 of our Consolidated Financial Statements for the three months ended March 31, 2021 and Note 7 of our Consolidated Financial Statements for the year ended December 31, 2020).

The following tables reconcile net income (net loss), which we believe is the most comparable GAAP measure, to FFO, Core FFO, AFFO, and Core AFFO:

	Three Months Ended March 31,	
	2021	2020
Net Loss	**$ (321,703)**	**$ (351,188)**
Depreciation and amortization	379,511	357,018
Funds From Operations	**57,088**	**5,830**
Amortization of deferred financing costs	31,103	50,712
Public company consulting fees for March 31, 2020	—	20,000
Non-cash stock compensation	82,471	20,023
Adjustments From Operations	113,574	90,735
Core Funds From Operations	**$ 171,382**	**$ 96,565**
Net Loss	**$ (321,703)**	**$ (351,188)**
Depreciation and amortization	379,511	357,018
Amortization of deferred financing costs	31,103	50,712
Above-and below-market lease related intangibles	(33,161)	(27,374)
Adjustments From Operation	377,453	380,356
Adjusted Funds From Operations	**55,750**	**29,168**
Non-cash stock compensation	82,471	20,023
Public company consulting fees for March 31, 2020	—	20,000
Adjustments From Operations	82,471	40,023
Core Adjusted Funds From Operations	**$ 138,221**	**$ 69,191**

	Twelve Months ended December 31,	
	2020	2019
Net Loss	**$ (1,344,615)**	**$ (1,014,345)**
Depreciation and amortization	1,452,556	665,675
Funds From Operations	**107,941**	**(348,670)**
Amortization of deferred financing costs	134,898	72,424
Non-cash stock compensation	101,645	321,328
Public company consulting fees	60,000	80,000
Non-recurring litigation expenses and settlements	—	85,000
Adjustments From Operations	296,543	**558,752**
Core Funds From Operations	**404,484**	**210,082**
Net Loss	**$ (1,344,615)**	**$ (1,014,345)**
Adjusted Funds From Operations	—	—
Depreciation and amortization	1,452,556	665,675
Amortization of deferred financing costs	134,898	72,424
Above-and below-market lease related intangibles	(109,496)	(39,461)
Adjustments From Operations	1,477,958	698,638
Adjusted Funds From Operations	**$ 133,343**	**$ (315,707)**
Non-cash stock compensation	101,645	321,328
Public company consulting fees	60,000	80,000
Non-recurring litigation expenses and settlements	—	85,000
Adjustments From Operations	161,645	486,328
Core Adjusted Funds From Operations	**294,988**	**170,621**

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 our audited consolidated financial statements included herein for a summary of our significant accounting policies.

OUR MANAGEMENT

Directors and Officers

The following table provides information regarding our executive officers and directors as of June 1, 2021:

Name	Age	Position
David Sobelman	49	Chairman of the Board of Directors, President, Chief Executive Officer, Secretary and Assistant Treasurer
Richard Russell	60	Chief Financial Officer and Treasurer
Benjamin Adams*	49	Board Member
Patrick Quilty*	55	Board Member
Betsy Peck*	60	Board Member
Stuart Eisenberg*	58	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, Chief Executive Officer, Secretary, and Assistant 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 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. We believe that Mr. Sobelman's experience in the net lease commercial real estate market and his status as founder of the Company qualify him for service as one of our directors.

Richard Russell has served as Chief Financial Officer of the Company since December 20, 2019 and has served as our treasurer since December 2019. 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. (NASDAQ: LMFA) since November 2017. In November 2020, Mr. Russell was appointed as Chief Financial Officer, Treasurer and Board Member of LMF Acquisition Opportunities Inc. (a special purpose acquisition corporation) (NASDAQ: LMAO). 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. On March 1, 2020, Mr. Russell was appointed to the board of directors for Trident Brands Inc. (OTC: "TDNT") a publicly held consumer products company.

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. We believe that Mr. Adam's position as the founder and Chairman Emeritus of the Defined Contribution Real Estate Council (DCREC) and his understanding of accounting principles and financial presentation and analysis qualifies him for service as one of our directors.

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. We believe that Mr. Quilty's prior work experience and understanding of accounting principles, risk management, financial presentation and analysis qualify him for service as one of our directors.

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. 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. We believe that Ms. Peck's prior real estate management experience and her understanding of accounting principles, internal accounting control and financial presentation and analysis qualify her for service as one of our directors.

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. We believe that Mr. Eisenberg's prior work a partner at BDO USA, LLP in the real estate services group and sophisticated understanding of accounting principles, auditing standards, and internal accounting controls qualify him for service as one of our directors.

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.

The Company had previously engaged 3 Properties (a brokerage and asset manager company) that is owned 100% by the Company's CEO, when it purchases properties and to manage properties. This agreement was terminated effective August 31, 2020. For the year ended December 31, 2020 and 2019, we paid 3 Properties $40,135 and $23,260, respectively for asset management services related to the property owned by GIP. Our independent Board members will review any future transactions or agreements with Mr. Sobelman, or any other related party of Mr. Sobelman or the Company.

The sellers of properties acquired by the Company paid 3 Properties $230,224 for the year ended December 31, 2019, in brokerage fees for the acquisition of various properties identified for us by 3 Properties. No other fees were paid by the Company to 3 Properties for the year ended December 31, 2020 or 2019.

On November 30, 2020, the Company acquired an approximately 3,500-square-foot building from GIP Fund 1, LLC a related party that is owned 10% by the President and Chairman of the Company. The retail single-tenant property (occupied by The Sherwin-Williams Company) in Tampa, Florida was acquired for approximately $1.8 million and was funded with approximately $1.3 million of debt from Valley National Bank and the issuance of 24,309 partnership units in Generation Income Properties LP valued at $20.00 per unit for purposes of the contribution for a total value of $486,180 plus $1,000 in cash. Sherwin Williams has a credit rating of BBB from Standard & Poor's with approximately 7.5 years remaining on the lease term for the property. Following our acquisition of this property, GIP Fund I was liquidated, and following such liquidation, Mr. Sobelman became the direct owner of an approximately 0.272% interest in GIP LP.

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 the 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 have entered 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 and Chief Executive Officer 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 twelve 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. Effective December 1, 2020, Mr. Russell's employment agreement was amended in which he waived his right to cash compensation in lieu of being awarded 550 restricted shares of common stock each month until the closing of an initial underwritten public offering. Following this offering, Mr. Russell will revert back to being paid $175 per hour in accordance with his prior employment agreement. We have no current plans to make any other changes to the compensation of our named executive officers following this offering.

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, 2019 and 2020.

Summary Compensation Table

Name And Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards (1) ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)(3)	Total ($)
David Sobelman, President and CEO	2020	100,000	0	0	0	0	0	2,936	102,936
	2019	100,000	0	0	0	0	0	0	100,000
Richard Russell, Chief Financial Officer	2020	112,973	0	136,000(4)	0	0	0	0	248,973
	2019	109,232(2)	0	0	0	0	0	0	109,232(2)

(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 $20.00 per share valuation with a 0% forfeiture rate.
(2) Includes $107,145 in consulting fees from January 1, 2019 through December 19, 2019.
(3) Consists of health insurance premiums.
(4) $11,000 of such amount reflects the aggregate fair value of the stock award associated with the issuance of 550 restricted shares of common stock in lieu of cash compensation. Effective December 1, 2020, Mr. Russell's employment agreement was amended in which he waived his right to cash compensation in lieu of being awarded 550 restricted shares of common stock each month until the closing of an initial underwritten public offering. Pursuant to the employment agreement prior to its amendment, Mr. Russell would have been paid $175 per hour in compensation during December 2020. In addition, on February 3, 2020, Mr. Russell was awarded 6,250 shares of restricted common stock which vests equally over 3 years, subject to continued service.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information on exercisable and unexercisable options and unvested stock awards held by the named executive officers on December 31, 2020.

	Equity Incentive Plan Awards: Unearned Shares or Other Rights That Have Not Vested (#)	Price Equity Incentive Plan Award: Market of Payout Value of Unearned Share or Rights That Have Not Vested ($)
Richard Russell(1)	6,250	$ 125,000(2)

(1) On February 3, 2020, Mr. Russell was awarded 6,250 shares of restricted common stock which vests equally over 3 years, subject to continued service.
(2) Based on a value of $20.00 per share.

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.

Generation Income Properties, Inc. 2020 Omnibus Incentive Plan

We did not maintain any equity-based incentive compensation plan during 2019.

In connection with this offering, our board has adopted, and our current stockholders have approved, the Generation Income Properties, Inc. 2020 Omnibus Incentive Plan (the "Omnibus Incentive Plan"). The Omnibus Incentive Plan will become effective on the date on which this offering is completed. The following description of the material terms and conditions of the Omnibus Incentive Plan is qualified by reference to the full text of the Omnibus Incentive Plan.

Administration

The Omnibus Incentive Plan will be administered by our board or our compensation committee, or any other committee or subcommittee or one or more of

our officers to whom authority has been delegated (the "Administrator"). The Administrator will have the authority to interpret the Omnibus Incentive Plan or award agreements covering awards; prescribe, amend and rescind rules and regulations relating to the Omnibus Incentive Plan; correct any defect, supply any omission or reconcile any inconsistency in the Omnibus Incentive Plan, any award or any agreement covering an award; and make all other determinations necessary or advisable for the administration of the Omnibus Incentive Plan.

Eligibility

The Administrator may designate any of the following as a participant under the Omnibus Incentive Plan: any officer or other employee; any individual engaged to become an officer or employee; and any consultant or advisor who provides services; or any director, including any non-employee director.

Types of Awards

The Omnibus Incentive Plan permits the Administrator to grant stock options, stock appreciation rights, performance shares, performance units, shares of common stock, restricted stock, restricted stock units, cash incentive awards, dividend equivalent units, or any other type of award permitted under the Omnibus Incentive Plan. The Administrator may grant any type of award to any participant it selects, but only our employees or our subsidiaries' employees may receive grants of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"). Awards may be granted alone or in addition to, in tandem with, or (subject to the repricing prohibition described below) in substitution for any other award (or any other award granted under another plan of the Company or any affiliate, including the plan of an acquired entity).

Shares Reserved under the Omnibus Incentive Plan

The Omnibus Incentive Plan provides that 2,000,000 shares of our common stock are reserved for issuance under the Omnibus Incentive Plan, all of which may be issued pursuant to the exercise of incentive stock options. The number of shares reserved for issuance under the Omnibus Incentive Plan will be reduced on the date of the grant of any award by the maximum number of shares, if any, that may be issuable under the award. If (a) an award lapses, expires, terminates or is canceled without issuance of shares, (b) the Administrator determines that the shares granted under an award will not be issuable because the conditions for issuance will not be satisfied, (c) shares are forfeited under an award, or (d) shares are issued under any award and we reacquire them pursuant to our reserved rights upon the issuance of the shares, then those shares are added back to the reserve and may again be used for new awards under the Omnibus Incentive Plan, but shares added back to the reserve under clause (d) may not be issued pursuant to incentive stock options. In no event will the following shares be added back to the reserve: shares purchased by us using proceeds from stock option exercises, shares that are tendered or withheld in payment of the exercise price of a stock option or as a result of the net settlement of outstanding stock appreciation rights or shares that are tendered or withheld to satisfy federal, state or local tax withholding obligations.

Non-Employee Director Award Limitation

Subject to the Omnibus Incentive Plan's adjustment provisions, the maximum number of shares that may be granted to anynon-employee director in any fiscal year cannot exceed the number of shares with a grant date fair value of, when added to any cash compensation received by such non-employee director, $200,000.

Options

The Administrator may grant stock options and determine all terms and conditions of each stock option, which include whether a stock option is an incentive stock option or a nonqualified stock option, the grant date, the number of shares subject to the option, the exercise price, the terms and conditions of vesting and exercise and the term. However, the exercise price per share of common stock may never be less than the fair market value of a share of common stock on the date of grant and the expiration date may not be later than 10 years after the date of grant.

Stock Appreciation Rights

The Administrator may grant stock appreciation rights ("SARs"). A SAR is the right of a participant to receive cash in an amount, or common stock with a fair market value, equal to the appreciation of the fair market value of a share of common stock during a specified period of time. The Omnibus Incentive Plan provides that the Administrator will determine all terms and conditions of each SAR, including, among other things: (a) whether the SAR is granted independently of a stock option or relates to a stock option, (b) the grant price, which may never be less than the fair market value of our common stock as determined on the date of grant, (c) a term that must be no later than 10 years after the date of grant, and (d) whether the SAR will settle in cash, common stock or a combination of the two.

Performance and Stock Awards

The Administrator may grant awards of shares of common stock, restricted stock, restricted stock units ("RSUs"), performance shares, or performance units. Restricted stock means shares of common stock that are subject to a risk of forfeiture or restrictions on transfer, which may lapse upon the achievement or partial achievement of performance goals (as described below) or upon

the completion of a period of service, or both. An RSU grants the participant the right to receive cash or shares of common stock the value of which is equal to the fair market value of one share of common stock. Performance shares give the participant the right to receive shares of common stock to the extent performance goals are achieved. Performance units give the participant the right to receive cash or shares of common stock valued in relation to a unit that has a designated dollar value or the value of which is equal to the fair market value of one or more shares of common stock, to the extent performance goals are achieved or other requirements are met.

The Administrator will determine all terms and conditions of the awards including (a) whether performance goals must be achieved for the participant to realize any portion of the benefit provided under the award, (b) the length of the vesting or performance period and, if different, the date that payment of the benefit will be made, (c) with respect to performance units, whether to measure the value of each unit in relation to a designated dollar value or the fair market value of one or more shares of common stock, and (d) with respect to RSUs and performance units, whether the awards will settle in cash, in shares of common stock (including restricted stock), or in a combination of the two.

Incentive Awards

The Administrator may grant annual incentive awards and long-term incentive awards. An incentive award is the right to receive a cash payment to the extent one or more performance goals are achieved. The performance goals for an annual incentive award must relate to a period of at least one year, and the performance goals for a long-term incentive award must relate to a performance period of more than one year. The Administrator will determine all terms and conditions of a cash incentive award, including, but not limited to, the performance goals, the performance period, the potential amount payable and the timing of payment. While the Omnibus Incentive Plan authorizes cash incentive awards to be granted under the Omnibus Incentive Plan, we may also make cash incentive awards outside of the Omnibus Incentive Plan.

Dividend Equivalent Units

The Administrator may grant dividend equivalent units. A dividend equivalent unit is the right to receive a payment, in cash or shares of our common stock, equal to the cash dividends or other cash distributions paid with respect to a share. The Administrator will determine all terms and conditions of a dividend equivalent unit, including, but not limited to, whether the award will be granted in tandem with another award, whether payment of the award will be made concurrently with dividend payments or credited to a deferred compensation account, whether the award will be settled in cash or shares of our common stock and whether the award will be contingent on performance goals. Any dividend equivalent unit granted in tandem with another award will include vesting provisions no more favorable to the participant than the tandem award and no dividend equivalent units relating to another award will provide for payment with respect to the award prior to its vesting.

Other Stock-Based Awards

The Administrator may grant to any participant shares of unrestricted stock as a replacement for other compensation to which such participant is entitled, such as in payment of director fees, in lieu of cash compensation, in exchange for cancellation of a compensation right, or as a bonus.

Performance Goals

For purposes of the Omnibus Incentive Plan, the Administrator may establish any objective or subjective performance goals which may apply to any performance award. Such performance goals may include, but are not limited to, one or more of the following measures with respect to the Company or any one or more of our subsidiaries, affiliates, or other business units: funds from operations (and derivatives thereof, including, but not limited to, core funds from operations, adjusted funds from operations, recurring funds from operations per diluted share, or growth in funds from operations); occupancy rates; net operating income or growth in net operating income; return measures (including, but not limited to, return on assets, investment, capital or equity); EBITDA; EBITDA growth; share price (including, but not limited to, growth measures and total stockholder return); general and administrative expenses as a percentage of total revenues; debt and debt-related ratios, including, but not limited to, debt to total market capitalization; debt to EBITDA; debt to assets and fixed charge coverage ratios (determined with or without the pro rata share of our ownership interest in co-investment partnerships); net asset value per share; or growth in net asset value per share determined on an annual or multi-year basis. The Administrator reserves the right to adjust any performance goals or modify the manner of measuring or evaluating a performance goal. The Administrator may establish other performance goals not listed in the plan.

Transferability

Awards are not transferable other than by will or the laws of descent and distribution, unless and to the extent the Administrator allows a participant to (a) designate in writing a beneficiary to exercise the award or receive payment under the award after the participant's death, (b) transfer an award to a former spouse as required by a domestic relations order incident to a divorce, or (c) transfer an award without receiving any consideration.

Adjustments

If (a) we are involved in a merger or other transaction in which our shares of common stock are changed or exchanged; (b) we subdivide or combine shares of common stock or declare a dividend payable in shares of common stock, other securities, or other property (other than stock purchase rights issued pursuant to a stockholder rights agreement); (c) we effect a cash dividend that exceeds 10% of the fair market value of a share of common stock or any other dividend or distribution in the form of cash or a repurchase of shares of common stock that our board determines is special or extraordinary, or that is in connection with a recapitalization or reorganization; or (d) any other event occurs that in the Administrator's judgment requires an adjustment to prevent dilution or enlargement of the benefits intended to be made available under the Omnibus Incentive Plan, then the Administrator will, in a manner it deems equitable, adjust any or all of (1) the number and type of shares subject to the Omnibus Incentive Plan and which may, after the event, be made the subject of awards; (2) the number and type of shares of common stock subject to outstanding awards; (3) the grant, purchase or exercise price with respect to any award; and (4) the performance goals of an award. In any such case, the Administrator may also provide for a cash payment to the holder of an outstanding award in exchange for the cancellation of all or a portion of the award, subject to the terms of the Omnibus Incentive Plan.

The Administrator may, in connection with any merger, consolidation, acquisition of property or stock, or reorganization, authorize the issuance or assumption of awards upon terms and conditions we deem appropriate without affecting the number of shares of common stock otherwise reserved or available under the Omnibus Incentive Plan.

Change of Control

To preserve a participant's rights under an award in the event of a change of control (as defined in the Omnibus Incentive Plan), the Administrator in its discretion may, at the time an award is made or at any time thereafter, take one or more of the following actions: (a) provide for the acceleration of any time period, or the deemed achievement of any performance goals, relating to the exercise or realization of the award; (b) provide for the purchase or cancellation of the award for an amount of cash or other property that could have been received upon the exercise or realization of the award had the award been currently exercisable or payable (or the cancellation of awards in exchange for no payment to the extent that no cash or other property would be received upon the exercise or realization of the award in such circumstances); (c) adjust the terms of the award in the manner determined by the Administrator to reflect the change of control; (d) cause the award to be assumed, or new right substituted for the awards, by another entity; or (e) make such other provision as the Administrator may consider equitable and in the best interests of the Company.

A change of control is defined generally in the Omnibus Incentive Plan to include (a) certain unrelated persons acquiring beneficial ownership of securities of the Company representing 20% or more of the number or voting power of our then-outstanding common stock (b) a change in the majority of our board (other than changes approved by 2/3 of the incumbent directors), (c) the consummation of certain mergers, consolidations or share exchanges involving the Company that require the approval of our shareholders.

Except as otherwise expressly provided in any agreement between us or one of our affiliates and a participant, if the receipt of any payment by the participant under the circumstances described above would result in the payment by the participant of any excise tax provided for in Section 280G and Section 4999 of the Code, then the amount of the payment will be reduced to the extent required to prevent the imposition of the excise tax.

In addition, our board may, in its sole and absolute discretion, amend, modify or rescind the change of control provisions of the Omnibus Incentive Plan if it determines that the operation of the provisions may prevent a transaction in which we, one of our subsidiaries or one of our affiliates is a party from receiving desired tax treatment, including without limitation requiring that each participant receive a replacement or substitute award issued by the surviving or acquiring corporation.

Term of Plan

Unless earlier terminated by our board, the Omnibus Incentive Plan will terminate on the 10th anniversary of its effective date.

Termination and Amendment

Our board or the Administrator may amend, alter, suspend, discontinue or terminate the Omnibus Incentive Plan at any time, subject to the following limitations:

Our board must approve any amendment to the Omnibus Incentive Plan if we determine such approval is required by prior action of our board, applicable corporate law, or any other applicable law;

Stockholders must approve any amendment to the Omnibus Incentive Plan to the extent we determine such approval is required by Section 16 of the Exchange Act, the Code, the listing requirements of any principal securities exchange or market on which the shares are then traded, or any other applicable law; and

Stockholders must approve any amendment to increase materially the Omnibus Incentive Plan's share limits or any amendment to the Omnibus Incentive Plan that would diminish the protections afforded by the repricing and backdating prohibitions of the Omnibus Incentive Plan.

Subject to the requirements of the Omnibus Incentive Plan, the Administrator may modify, amend or cancel any award, except that any modification or amendment (other than as provided in the Omnibus Incentive Plan or the applicable award agreement) that materially diminishes the rights of a participant, or the cancellation of an award, will be effective only if agreed to by the participant or any other person who may then have an interest in the award. We need not obtain participant (or other interested party) consent for any such action (a) that is permitted pursuant to the adjustment provisions of the Omnibus Incentive Plan; (b) pursuant to the Omnibus Incentive Plan's provisions concerning the consequences of a participant's engaging in any action constituting cause for termination or breaching any award agreement or any other agreement with us or our affiliate concerning noncompetition, nonsolicitation, confidentiality, trade secrets, intellectual property, nondisparagement or similar obligations; (c) to the extent we deem the action necessary to comply with any applicable law or the listing requirements of any principal securities exchange or market on which our common stock is then traded; (d) to the extent we deem the action is necessary to preserve favorable accounting or tax treatment of any award for us; or (e) to the extent we determine 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 participant or any other persons as may then have an interest in the award.

Awards granted under the Omnibus Incentive Plan, and any shares of our common stock or cash paid under an award, will 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.

Repricing and Backdating Prohibited

Except for the adjustments provided for in the Omnibus Incentive Plan, neither the Administrator nor any other person may amend the terms of outstanding stock options or SARs to reduce their exercise or grant price, cancel outstanding stock options or SARs in exchange for stock options or SARs with an exercise or grant price that is less than the exercise or grant price of the awards being cancelled, or cancel outstanding stock options or SARs with an exercise or grant price above the current fair market value of a share in exchange for cash or other securities. In addition, the Administrator may not grant a stock option or SAR with a grant date that is effective prior to the date the Administrator takes action to approve such award.

Long-Term Incentive Plans and Awards

The following table provides information on vested and unvested restricted stock awards held by our board of directors and officers on December 31, 2020.

	Securities Underlying Restricted Shares # Unvested	Securities Underlying Restricted Shares # Vested
Benjamin Adams	1,666	834
Stuart Eisenberg	2,500	—
Betsy Peck	2,500	—
Patrick Quilty	1,666	834
Richard Russell	6,250	550

Options Grants during the 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 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.

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 6,250 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. Effective December 1, 2020, Mr. Russell's employment agreement was amended in which he waived his right to cash compensation in lieu of being awarded 550 restricted shares of common stock each month until the closing of an initial underwritten public offering. 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, except for Mr. Sobelman, who has guaranteed certain of our property-level indebtedness as described elsewhere in this prospectus.

Director Compensation

Our non-independent directors do not receive cash compensation, but are reimbursed for reasonable out-of-pocket expenses incurred. There are no arrangements pursuant to which our non-independent directors will be compensated in the future for any services provided as a director.

The Company granted 2,500 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 2,500 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. None of our directors has ever been paid any cash compensation. The following table summarizes all of the compensation earned by our directors for service as a director of the Company during the year ended December 31, 2020. Benjamin Adams and Patrick Quilty did not receive any compensation in 2020 due to their prior restricted stock grant in 2019.

Name	Fiscal Year	Fees Earned or Paid in Cash	Stock Awards (1)	Total
Benjamin Adams	2020	—	—	—
Stuart Eisenberg	2020	—	$ 50,000	$50,000
Betsy Peck	2020	—	$ 50,000	$50,000
Patrick Quilty	2020	—	—	—

(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 $20.00 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 June 1, 2021 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.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to warrants or options held by that person that are currently exercisable or exercisable within 60 days of the date for which beneficial ownership is being reported are deemed outstanding, but are not deemed outstanding for computing the percentage ownership of any other person. Our unvested restricted shares do not have voting or dividend rights and are not transferable and are therefore not to be deemed to be owned by the holder thereof unless and until such shares are scheduled to vest within 60 days of the date for which beneficial ownership is being reported.

Beneficial ownership as reported below is based on 582,867 shares of common stock outstanding as of June 1, 2021, which excludes 24,833 shares of unvested restricted stock outstanding as of June 1, 2021. The number of shares outstanding after the offering gives effect to the redemption of 112,500 shares of outstanding common stock held by David Sobelman on June 1, 2021 that will be redeemed in connection with (and contingent upon) the completion of this offering, as further described below.

Unless otherwise indicated below, each person or entity listed below has an address in care of our principal executive offices at 401 East Jackson Street, Suite 3300, Tampa, Florida 33602.

	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	225,004	38.6%	112,504(6)	6.5%
Benjamin Adams(1)	859	*	859	*
Patrick Quilty(1)	834	*	834	*
Richard Russell(4)	4,298	*	4,298	*
Betsy Peck(5)	833	*	833	*
Stuart Eisenberg(5)	833	*	833	*
All Officers and Directors as a Group (6 persons)	232,661	39.9%	120,161	7.0%
John Robert Sierra Sr. Revocable Family Trust	225,000(2)	33.0%	225,000(2)	12.4%
Kitty Talk, Inc. (3)	50,000	8.6%	50,000	2.9%

* Represents beneficial ownership of less than 1%.

(1) Excludes 1,666 shares of restricted common stock that was awarded July 15, 2019, out of which 833 shares will vest on July 15, 2021 and the rest 833 shares will vest on July 15, 2022. Excludes 2,500 shares of restricted common stock that was awarded January 1, 2021 and is subject to annual vesting 1/3 per year over a term of three years.

(2) Includes 50,000 shares of common stock issuable pursuant to currently exercisable warrants at an exercise price of $20.00 per share until April 17, 2026 and 50,000 shares of common stock issuable pursuant to currently exercisable warrants at an exercise price of $20.00 per share until November 13, 2027. 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.

(4) Excludes 4,167 shares of restricted common stock that was awarded February 3, 2020, out of which 2,083 shares will vest on February 3, 2022 and the rest 2,084 shares will vest on February 3, 2023.

(5) Excludes 1,667 shares of restricted common stock that was awarded February 3, 2020, out of which 834 shares will vest on February 3, 2022 and the rest 833 shares will vest on February 3, 2023. Excludes 2,500 shares of restricted common stock that was awarded January 1, 2021 and is subject to annual vesting 1/3 per year over a term of three years.

(6) We entered into an agreement with Mr. Sobelman to repurchase 112,500 shares of his shares of common stock for an aggregate sum of $10.00 effective upon the execution of an underwriting agreement in connection with this offering (which agreement will be terminated if this offering is abandoned or not completed prior to September 30, 2021).

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, 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.

As of March 31, 2021, our President has personally guaranteed the repayment of up to fifty percent of the $3.4 million loan secured by our Cocoa Beach property, the repayment of the $11.3 million due under the DC/Tampa/Huntsville loan, the $1.3 million loan secured by our Tampa Sherwin Williams property and the $1.3 million loan secured by our GSA Mateo NC property. The aggregate guaranteed principal amount of these loans total approximately $17.3 million. Our President has also provided a guaranty of the Borrower's nonrecourse carveout liabilities and obligations in favor of the lender for the Norfolk, Virginia property loans, with an aggregate principal amount of approximately $13.0 million, and in favor of the lender for the recently acquired Plant City, Florida property with an aggregate principal amount of approximately $0.9 million.

In connection with the pending sale of our Cocoa, Florida property, we are obligated to pay the Operating Partnership a cash acquisition fee equal to 1% of

the sale price of the property upon the closing of the property.

Our President faced 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 had paid 3 Properties $0, $0, $230,224, $124,616 and $0 during the three months ended March 31, 2021 and years ended December 31, 2020, 2019, 2018 and 2017, respectively, in brokerage fees for the acquisition of four properties. The Company previously engaged 3 Properties to be its asset manager and has paid it $0, $40,135, $23,260, $2,191 and $0 during the three months ended March 31, 2021 and years ended December 31, 2020, 2019, 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. We terminated the agreement with 3 Properties effective August 31, 2020.

On May 19, 2015 we issued 250,000 shares of our common stock to Mr. Sobelman our President, Chief Executive Officer, and Chairman at $0.04 per share for aggregate proceeds of $10,000. Mr. Sobelman currently owns 225,004 shares of our common stock.

We purchased from GIP Fund I (an entity controlled by our CEO) a single tenant retail building (3,500 square feet) leased to The Sherwin-Williams Company and located at 508 S. Howard Ave in Tampa, FL acquired in November 2020 for total consideration of approximately $1.8 million. The acquisition was funded by issuing approximately 24,309 common units in our Operating Partnership, priced at $20.00 per unit, for a total value of $486,180 and the assumption of approximately $1.3 million of existing mortgage debt which is guaranteed by our CEO.

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. 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."

We have not disposed of any properties acquired since our inception.

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 the 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 the 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 SECURITIES

The following summary of certain provisions of our securities 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. On October 12, 2020, we effected a one-for-four reverse split of our common stock, or the Reverse Split. Unless otherwise specified or the context otherwise indicates, the information contained in this prospectus has been adjusted to give effect to the Reverse Split. As of June 1, 2021, we had 582,867 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 100,000 warrants outstanding to purchase up to 100,000 shares of our common stock at an exercise price of $20.00 per share. The warrants are currently exercisable at a price of $20.00 per share of common stock, subject to adjustment in certain circumstances, and 50,000 will expire on April 17, 2026 and 50,000 will expire November 12, 2027. 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.

Warrants Offered in the Units in this Offering

Overview. The following summary of certain terms and provisions of the Warrants offered hereby is not complete and is subject to, and qualified in its entirety by, the provisions of the warrant agent agreement between us the Warrant Agent, and the form of Warrant, both of which are filed as exhibits to the registration statement of which this prospectus is a part. Prospective investors should carefully review the terms and provisions set forth in the warrant agent agreement, including the annexes thereto, and form of Warrant. The Warrants issued in this offering entitle the registered holder to purchase one share of our common stock at a price equal to 100% of the offering price per Unit in this offering, subject to adjustment as discussed below, immediately following the issuance of such warrant and terminating at 5:00 p.m., New York City time, five years after the closing of this offering. As described below, we intend to apply to list the Warrants on the Nasdaq Capital Market under the symbol “GIPRW.”

Exercisability. The Warrants are exercisable at any time after their original issuance and at any time up to the date that is five years after their original issuance. The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the Warrant Agent, with the exercise form on the warrant certificate completed and executed as indicated. If we fail to maintain the effectiveness of the registration statement and current prospectus relating to the common stock issuable upon exercise of the Warrants, the holders of the Warrants shall have the right to exercise the Warrants solely via a cashless exercise feature provided for in the Warrants, until such time as there is an effective registration statement and current prospectus.

Exercise Limitation. A holder (together with its affiliates) may not exercise any portion of the warrant to the extent that the holder would own more than 4.99% (or, at the election of the holder, 9.8%) of the outstanding common stock immediately after exercise, except that upon at least 61 days’ prior notice from the holder to us, the holder may increase the amount of ownership of outstanding stock after exercising the holder’s warrants up to 9.8% of the number of shares of our common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the warrants.

Exercise Price. The exercise price per whole share of our common stock purchasable upon the exercise of the Warrants is 100% of the public offering price per Unit in this offering. The warrants will be immediately exercisable and may be exercised at any time up to the date that is five years after their original issuance. The exercise price of the warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distribution of assets, including cash, stock or other property to our stockholders.

Cashless Exercise. If, at any time after the issuance of the Warrants, a holder of the Warrants exercises the Warrants and a registration statement registering the issuance of the shares of common stock underlying the Warrants under the Securities Act is not then effective or available (or a prospectus is not available for the resale of shares of common stock underlying the Warrants), then in lieu of making the cash payment otherwise contemplated to be made to us upon such exercise in payment of the aggregate exercise price, the holder shall instead receive upon such exercise (either in whole or in part) only the net number of shares of common stock determined according to a formula set forth in the Warrants. In addition, after 120 days after the Warrants are issued in this offering, any Warrant may be exercised on a cashless basis for 10% of the shares underlying the Warrant if the volume-weighted average trading price of our shares of common stock on Nasdaq is below the then-effective exercise price of the Warrant for 10 consecutive trading days. Notwithstanding anything to the contrary, in the event we do not have or maintain an effective registration statement, there are no circumstances that would require us to make any cash payments or net cash settle the Warrants to the holders.

Fractional Shares. No fractional shares of common stock will be issued upon exercise of the Warrants. If, upon exercise of the Warrant, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise and at our option, pay a cash adjustment in respect of such fraction in an amount equal to such fraction multiplied by the exercise price or round up to the next whole share.

Transferability. Subject to applicable laws, the Warrants may be offered for sale, sold, transferred or assigned at the option of the holder without our consent.

Exchange Listing. We have applied to list the Warrants on the Nasdaq Capital Market under the symbol “GIPRW.”

Fundamental Transactions. In the event of a fundamental transaction, as described in the Warrants and generally including any reorganization, recapitalization or reclassification of our common stock, the sale, transfer or other disposition of all or substantially all of our properties or assets, our consolidation or merger with or into another person, the acquisition of more than 50% of our outstanding common stock, or any person or group becoming the beneficial owner of 50% of the voting power represented by our outstanding common stock, the holders of the Warrants will be entitled to receive upon exercise of the warrants the kind and amount of securities, cash or other property that the holders would have received had they exercised the warrants immediately prior to such fundamental transaction.

Rights as a Stockholder. Except by virtue of such holder’s ownership of shares of our common stock, the holder of a Warrant, with certain limited exceptions (such as the right to receive non-cash dividends), does not have the rights or privileges of a holder of our common stock, including any voting rights, until the holder exercises the Warrant.

Representative's Warrants. The registration statement of which this prospectus is a part also registers for sale the Representative's Warrants, as a portion of the underwriting compensation in connection with this offering. The Representative's Warrants will be exercisable for four and one-half year period commencing 180 days following the effective date of the registration statement of which this prospectus is a part at an exercise price of $15.00 (125% of the assumed public offering price per Unit). Please see "Underwriting—Representative's Warrants" for a description of the warrants we have agreed to issue to the representative of the underwriter in this offering, subject to the completion of the offering.

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 225,004 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 125,000 shares of our common stock and currently exercisable warrants to purchase 100,000 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.

SECURITIES 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 and Warrants on the Nasdaq Capital Market under the symbol "GIPR" and "GIPRW," respectively. If the application is approved, trading of our securities on the Nasdaq is expected to begin within days after the initial issuance of securities. 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 securities on the Nasdaq, we will not complete this offering.

We cannot predict the effect, if any, that any subsequent sales of common stock or Warrants 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 or Warrants in the public market, or the perception that such sales could occur, could adversely affect the prevailing market price of our common stock or Warrants.

No assurance can be given as to the likelihood that an active trading market for our common stock or Warrants will develop or be maintained, that any such market will be liquid, that purchasers will be able to sell the common stock or Warrants when issued or at all or the prices that purchasers may obtain for any of the common stock or Warrants 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 or Warrants 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 or Warrants. See "Risk Factors — Risks Related to This Offering."

The common stock and Warrants 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 and Warrant 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, Chief Executive Officer, and Chairman of the Board and affiliates ("our sponsor"), through March 31, 2021 with the Prior Performance Tables included in this prospectus as Exhibit 99.1 through December 31, 2020. 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 the 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 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. GIP Fund 1 disposed of its sole property on November 30, 2020 by exchanging 100% of its partnership interests to GIP LP in exchange for 24,309 units in GIP LP. Following our acquisition of this property, GIP Fund I was liquidated, and following such liquidation, Mr. Sobelman became the direct owner of an approximately 0.272% interest in GIP LP.

The asset that was in this program is 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. GIP Fund 1 disposed of its sole property on November 30, 2020 by exchanging 100% of its partnership interests to GIP LP in exchange for 24,309 units in GIP LP. Following our acquisition of this property, GIP Fund I was liquidated, and following such liquidation, Mr. Sobelman became the direct owner of an approximately 0.272% interest in GIP LP.

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); (2) operating results of prior programs (Table III); (3) results of completed programs (Table IV) and (4) sales or disposals of properties (Table V).

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 349,913 common units in our Operating Partnership in exchange for acquiring two properties in Norfolk, Virginia and on November 30, 2020 we issued 24,309 common units in our Operating Partnership in exchange for acquiring one property in Tampa, Florida. Following these transactions, as of June 1, 2021, we own 60.9% of the common units in the Operating Partnership and outside investors own 39.1%. Since September 30, 2020, each limited partner from the September 30, 2019 transaction has had, and beginning on November 30, 2022 the limited partner from the November 30, 2020 transaction will have, the option to require the Operating Partnership to redeem all or a portion of the 374,222 common units for either (i) the Redemption Amount (as defined in the Operating Partnership’s Partnership Agreement), or (ii) until November 30, 2021 for 349,913 common units or January 1, 2025 for 24,309 common units, cash in an agreed-upon Value (as defined in the Operating Partnership’s Partnership Agreement) of $20.00 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 Warrants and our expected election to be taxed as a REIT. Foley & Lardner LLP has acted as our counsel, has reviewed this summary, and is of the opinion that the discussion contained herein is accurate in all material respects. 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 WARRANTS 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, 2021. 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.

In connection with this offering, Foley & Lardner LLP has rendered an opinion that, commencing with our taxable year ending December 31, 2021, we will be organized in conformity with the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws, and our proposed method of operations will enable us to satisfy the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws for our taxable year ending December 31, 2021 and subsequent taxable years. Investors should be aware that Foley & Lardner LLP's opinion is based upon various customary assumptions relating to our organization and operation, is conditioned upon certain representations and covenants made by our management as to factual matters, including that we elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2021 and including representations regarding our organization, the nature of our assets and income and the conduct of our business operations. Foley & Lardner LLP's opinion is not binding upon the IRS or any court and speaks as of the date issued. In addition, Foley & Lardner LLP's opinion is based on existing U.S. federal income tax law governing qualification as a REIT, which is subject to change either prospectively or retroactively.

Moreover, our qualification and taxation as a REIT will depend upon our ability to meet, on a continuing basis, through actual annual and quarterly operating results, certain qualification tests set forth in the U.S. federal income tax laws. Those qualification tests involve the percentage of income that we earn from specified sources, the percentage of our assets that fall within specified categories, the diversity of ownership of our stock and the percentage of our earnings that we distribute. Foley & Lardner LLP will not review our compliance with those tests on a continuing basis. Accordingly, no assurance can be given that our actual results of operations for any particular taxable year will satisfy such requirements. While we intend to operate so that we will qualify as a REIT, given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations and the possibility of future changes in our circumstances, no assurance can be given by tax counsel or by us that we will qualify as a REIT for any particular year. Foley & Lardner LLP's opinion does not foreclose the possibility that we may have to use one or more of the REIT savings provisions described below, which could require us to pay an excise or penalty tax (which could be material) in order for us to maintain our REIT qualification. 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.

  Similar rules apply with respect to any built-in gain that exists with respect to our assets on the effective date of our REIT election.
- 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. After we make our REIT election for our taxable year ending December 31, 2021, requirements 5 and 6 will apply to us beginning with our 2022 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 225,004 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. This limitation regarding preferential distributions will not apply if we qualify as a "publicly offered REIT." A "publicly offered REIT" includes all public listed REITs and public non-listed REITs that are required to file annual and periodic reports with the SEC under the Exchange Act. Following the closing of this offering, we believe that we will be a "publicly offered REIT."

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 or Warrants 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 and Warrants 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%. Through taxable years ending December 31, 2025, the top effective rate applicable to ordinary dividends from REITs is 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). 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.

Allocation of Purchase Price and Characterization of a Unit

No statutory, administrative or judicial authority directly addresses the treatment of a Unit or instruments similar to a Unit for U.S. federal income tax purposes and, therefore, that treatment is not entirely clear. The acquisition of a Unit should be treated for U.S. federal income tax purposes as the acquisition of one share of common stock and one Warrant to purchase one share of common stock. For U.S. federal income tax purposes, each holder of a Unit must allocate the purchase price paid by such holder for such Unit between such one share of common stock and one Warrant to purchase one share of common stock based on their relative fair market values at the time of issuance. Under U.S. federal income tax law, each investor must make his or her own determination of such value based on all the relevant facts and circumstances. Therefore, we strongly urge each investor to consult his or her tax advisor regarding the determination of value for these purposes. The price allocated to each share of common stock and each Warrant should be the stockholder's tax basis in such share or Warrant, as the case may be. Any disposition of a Unit should be treated for U.S. federal income tax purposes as a disposition of the one share of common stock and one Warrant to purchase one share of common stock comprising the Unit, and the amount realized on the disposition should be allocated between the one share of common stock and one Warrant to purchase one share of common stock based on their respective relative fair market values (as determined by each such Unit holder based on all of the relevant facts and circumstances) at the time of disposition. The separation of the common stock and Warrants comprising Units should not be a taxable event for U.S. federal income tax purposes.

The foregoing treatment of the common stock and Warrants and a holder's purchase price allocation are not binding on the IRS or the courts. Because there are no authorities that directly address instruments that are similar to the Units, no assurance can be given that the IRS or the courts will agree with the characterization described above or the discussion below. Accordingly, each prospective investor is urged to consult its own tax advisors regarding the tax consequences of an investment in a Unit (including alternative characterizations of a Unit). The balance of this discussion assumes that the characterization of the Units described above is respected for U.S. federal income tax purposes.

Constructive Distributions

The terms of the Warrants allow for changes in the exercise price of the Warrants under certain circumstances. A change in exercise price of a Warrant that allows holders to receive more shares of common stock on exercise may increase a holder's proportionate interest in our earnings and profits or assets. In that case, such holder may be treated as though it received a taxable distribution in the form of our common stock. A taxable constructive stock distribution would generally result, for example, if the exercise price is adjusted to compensate holders for distributions of cash or property to our stockholders.

Not all changes in the exercise price that result in a holder's receiving more common stock on exercise, however, would be considered as increasing a holder's proportionate interest in our earnings and profits or assets. For instance, a change in exercise price could simply prevent the dilution of a holder's interest upon a stock split or other change in capital structure. Changes of this type, if made pursuant to bona fide, reasonable adjustment formula, are not

treated as constructive stock distributions for these purposes. Conversely, if an event occurs that dilutes a holder's interest and the exercise price is not adjusted, the resulting increase in the proportionate interests of our stockholders could be treated as a taxable stock distribution to our stockholders.

Any taxable constructive stock distributions resulting from a change to, or a failure to change, the exercise price of the Warrants that is treated as a distribution of common stock would be treated for U.S. federal income tax purposes in the same manner as distributions on our common stock paid in cash or other property, resulting in a taxable dividend to the recipient to the extent of our current or accumulated earnings and profits (with the recipient's tax basis in its common stock or Warrants, as applicable, being increased by the amount of such dividend), and with any excess treated as a return of capital or as capital gain. U.S. holders should consult their own tax advisors regarding whether any taxable constructive stock dividend would be eligible for tax rates applicable to long-term capital gains or the dividends-received deduction described above under "Taxation of Distributions," as the requisite applicable holding period requirements might not be considered to be satisfied.

Sale, Exchange, Redemption, Lapse or Other Taxable Disposition of a Warrant

Upon a sale, exchange, redemption, lapse or other taxable disposition of a Warrant, a U.S. holder generally will recognize capital gain or loss in an amount equal to the difference between the amount realized (if any) on the disposition and such U.S. holder's tax basis in the Warrant. The amount realized will include the amount of any cash and the fair market value of any other property received in exchange for the Warrant. The U.S. holder's tax basis in the Warrant generally will equal the amount the holder paid for the Warrant. Gain or loss will be long-term capital gain or loss if the U.S. holder has held the Warrant for more than one year. Long-term capital gains of non-corporate U.S. holders are generally taxed at preferential rates. The deductibility of capital losses is subject to certain limitations.

Exercise of a Warrant

The exercise of a Warrant for shares of common stock generally will not be a taxable event for the exercising U.S. holder, except with respect to cash, if any, received in lieu of a fractional share. A U.S. holder will have a tax basis in the shares of common stock received on exercise of a Warrant equal to the sum of the U.S. holder's tax basis in the Warrant surrendered, reduced by any portion of the basis allocable to a fractional share, plus the exercise price of the Warrant. A U.S. holder generally will have a holding period in shares of common stock acquired on exercise of a Warrant that commences on the date of exercise of the Warrant (or possibly the date following the date of exercise).

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 or Warrants 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 and Warrants, 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 or Warrants 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 or Warrants 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 is 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 or Warrants 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

Subject to the terms and conditions set forth in an underwriting agreement among us, our Operating Partnership and the representative of the underwriters, Maxim Group LLC ("Maxim" or "Representative"), we have agreed to sell to the underwriters, and the underwriters have agreed to purchase from us, an aggregate of 1,250,000 Units assuming a public offering price of $12 per Unit as shown in the table below. Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed to purchase all of the Units sold under the underwriting agreement if any of these Units are purchased.

Underwriter	Number of Units	
Maxim Group LLC		
Joseph Gunnar & Co. LLC		
Total		

The underwriters are offering Units, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Units, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Over-Allotment Option

We have granted to the underwriters an option, exercisable not later than 45 days after the effective date of the underwriting agreement, to purchase up to an additional (i) 187,500 shares of common stock at an assumed price of $10.9109 per share and/or (ii) Warrants to purchase 187,500 shares of common stock at an assumed price of $0.0091 per share. The underwriters may exercise this option only to cover over-allotments made in connection with this offering. If the underwriters exercise this option, they will be obligated, subject to conditions contained in the underwriting agreement, to purchase the same percentage of shares of common stock and/or Warrants as the number of Units purchased by it under the underwriting agreement. We will be obligated, pursuant to the option, to sell these additional Shares and/or Warrants to the underwriters to the extent the option is exercised. If any additional shares and/or Warrants are purchased, the underwriters will offer the additional shares and/or Warrants on the same terms as those being offered hereunder.

Discounts and Commissions

We have agreed to an underwriting discount of 9% of the public offering price of the Units sold in this offering. The underwriters propose to offer the Units directly to the public at the public offering price set forth on the cover of this prospectus. In addition, the underwriters may offer some of the Units to other securities dealers at such price less a concession of up to $ per Unit. After the offering to the public, the offering price and other selling terms may be changed by the underwriters without changing the proceeds we will receive from the underwriters.

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 underwriters' option to purchase additional shares and/or Warrants.

	Per Unit	Total Without Over-Allotment	Total With Over-Allotment
Public offering price	$12.00	$ 15,000,000	$ 17,250,000
Underwriting discounts and commissions	$ 1.08	$ 1,350,000	$ 1,552,500
Proceeds to us before expenses	$10.92	$ 13,650,000	$ 15,697,500

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 $1,037,000, all of which are payable by us.

We have also granted the Representative a right of first refusal to act as lead book-running underwriter or placement agents on any subsequent private or public offering of our securities, including equity-linked securities, for a period of 18 months from the sale of Units in this offering.

Representative's Warrants

We have also agreed to issue to the Representative warrants to purchase a number of common shares equal to an aggregate of 9% of the number of shares sold in this offering (the "Representative's Warrants"). The Representative's Warrants will have an exercise price equal to 125% of the initial public offering price in this offering. The Representative's Warrants may be exercised on a cashless basis. The Representative's Warrants will be exercisable six months following the closing date until the fifth anniversary of the effective date of the registration statement of which this prospectus is a part, which period is in compliance with FINRA Rule 5110(e). The Representative (or permitted assignees under Rule 5110(e)(2)) will not sell, transfer, assign, pledge, or hypothecate these warrants or the securities underlying these warrants, nor will they engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the warrants or the underlying securities for a period of 180 days from the effective date of the registration statement of which this prospectus is a part. The Representative's Warrants are not redeemable by us. The Representative's Warrants also provide for unlimited "piggyback" registration rights at our expense with respect to the underlying common shares during the five-year period commencing on the closing date of the offering. The registration rights provided will not be greater than five years from the effective date of the registration statement of which this prospectus is a part in compliance with FINRA Rule 5110(g)(8). We will bear all fees and expenses attendant to registering the securities issuable on exercise of the Representative's Warrants. The Representative's Warrants will provide for adjustment in the number and exercise price of such warrants (and the common shares underlying such warrants) in the event of recapitalization, merger or other fundamental transaction. However, the warrant exercise price or underlying shares will not be adjusted for issuances of shares of common stock at a price below the warrant exercise price.

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 have entered intolock-up agreements with the underwriters 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 underwriters.

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

The underwriters 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 underwriters may bid for, and purchase, our securities in market making transactions, including "passive" market making transactions as described below.

These activities may stabilize or maintain the market price of our securities at a price that is higher than the price that might otherwise exist in the absence of these activities. The underwriters 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 underwriters and selling group members, if any, or their affiliates may engage in passive market making transactions in our common stock 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 Maxim for all reasonable out-of-pocket expenses up to $125,000, including but not limited to reasonable legal fees, incurred by it in connection with the offering, $15,000 of which has been paid to Maxim in advance to cover reasonably anticipated out-of-pocket expenses. The $15,000 advance shall be applied towards the $125,000 fee for reasonable out-of-pocket expenses and will be reimbursed to us to the extent Maxim incurs less than $15,000 of out-of-pocket expenses.

Our Relationship with the Underwriters

Certain of the underwriters and their 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. They have received, or may in the future receive, customary fees and commissions for these transactions. As of the date hereof, an affiliate of Maxim holds 15,299 shares of our common stock.

In addition, in the ordinary course of their business activities, the underwriters 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 underwriters and its 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 underwriters 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 underwriters 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 underwriters. The underwriters may agree to allocate a number of shares to underwriters for sale to their online brokerage account holders. In connection with the offering, the underwriters 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 underwriters have informed us that they do not expect to confirm sales of Units offered by this prospectus to accounts over which they exercise discretionary authority.

Other than the prospectus in electronic format, the information on the underwriters' websites and any information contained in any other website maintained by an 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 an 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 underwriters 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 Securities 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 underwriters 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 Securities 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.

Index to Consolidated Financial Statements

Generation Income Properties, Inc.

Three Months Ended March 31, 2021

Generation Income Properties Inc
Consolidated Balance Sheets

	As of March 31, 2021 (Unaudited)	As of December 31, 2020
Assets		
Investment in real estate		
Property	$ 39,510,406	$ 37,352,447
Tenant improvements	482,701	482,701
Acquired lease intangible assets	3,126,132	3,014,149
Less accumulated depreciation and amortization	(2,696,965)	(2,317,454)
Total investments	40,422,274	38,531,843
Cash and cash equivalents	514,967	937,564
Restricted cash	184,800	184,800
Deferred rent asset	117,278	126,655
Prepaid expenses	386,749	134,165
Deferred financing costs	621,238	614,088
Accounts receivable	82,154	75,794
Escrow deposit and other assets	140,504	75,831
Total Assets	**$ 42,469,964**	**$ 40,680,740**
Liabilities and Stockholder's Equity		
Liabilities		
Accounts payable	$ 67,883	$ 118,462
Accrued expenses	381,905	406,125
Acquired lease intangible liability, net	894,107	415,648
Insurance payable	234,185	40,869
Deferred rent liability	178,854	188,595
Note Payable - related party	1,100,000	1,100,000
Mortgage loans, net of unamortized discount of $680,749 and $689,190 at March 31, 2021 and December 31, 2020, respectively	29,551,991	28,356,571
Total liabilities	32,408,925	30,626,270
Redeemable Non-Controlling Interests	9,184,431	8,684,431
Stockholders' Equity		
Common stock, $0.01 par value, 100,000,000 shares authorized; 582,867 shares issued and outstanding at March 31, 2021 and 576,918 at December 31, 2020	5,829	5,770
Additional paid-in capital	5,520,450	5,541,411
Accumulated deficit	(4,649,671)	(4,177,142)
Total Generation Income Properties, Inc. stockholders' equity	876,608	1,370,039
Total Liabilities and Stockholders' Equity	**$ 42,469,964**	**$ 40,680,740**

The accompanying notes are an integral part of these unaudited financial statements.

Generation Income Properties, Inc.
Consolidated Statements of Operations (unaudited)

	Three Months ended March 31, 2021	2020
Revenue		
Rental income	$ 936,888	$ 880,638
Expenses		
General, administrative and organizational costs	237,887	241,364
Building expenses	180,553	189,461
Depreciation and amortization	379,511	357,018
Interest expense, net	354,989	376,290
Compensation costs	105,651	67,693
Total expenses	1,258,591	1,231,826
Net Loss	$ (321,703)	$ (351,188)
Less: Net income attributable to Non-controlling interest	150,826	142,844
Net Loss attributable to Generation Income Properties, Inc.	$ (472,529)	$ (494,032)
Total Weighted Average Shares of Common Stock Outstanding – Basic and Diluted	579,642	525,250
Basic and Diluted Loss Per Share Attributable to Common Stockholder	$ (0.82)	$ (0.94)

The accompanying notes are an integral part of these unaudited financial statements.

Generation Income Properties, Inc.
Consolidated Statements of Stockholders' Equity
For the Three Months Ended March 31, 2021 and 2020 (unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Generation Income Properties, Inc. Stockholders' Equity	Redeemable Non-Controlling Interest
	Shares	Amount				
Balance, December 31, 2019	**525,250**	**$ 5,253**	**$4,773,639**	**$(2,345,489)**	**$ 2,433,403**	**$ 8,198,251**
Common stock issued for services	—	—	20,023	—	20,023	—
Distribution on Redeemable Non-Controlling Interest	—	—	—	—	—	(142,844)
Dividends paid on Common Stock	—	—	(105,101)	—	(105,101)	—
Net (loss) income for the year	—	—	—	(494,032)	(494,032)	142,844
Balance, March 31, 2020	**525,250**	**$ 5,253**	**$4,688,561**	**$(2,839,521)**	**$ 1,854,293**	**$ 8,198,251**
Balance, December 31, 2020	**576,918**	**5,770**	**5,541,411**	**(4,177,142)**	**1,370,039**	**8,684,431**
Common stock issued in lieu of cash compensation	2,200	22	43,978		44,000	
Restricted stock unit compensation	3,749	37	49,434		49,471	
Issuance of Redeemable Non-Controlling Interest for property acquisition						500,000
Distribution on Redeemable Non-Controlling Interest	—	—	—	—	—	(150,826)
Dividends paid on common stock	—	—	(114,373)	—	(114,373)	—
Net (loss) income for the year	—	—	—	(472,529)	(472,529)	150,826
Balance, March 31, 2021	**582,867**	**$ 5,829**	**$5,520,450**	**$(4,649,671)**	**$ 876,608**	**$ 9,184,431**

The accompanying notes are an integral part of these unaudited financial statements.

Generation Income Properties, Inc.
Consolidated Statements of Cash Flows (unaudited)

	Three Months Ended March 31,	
	2021	2020
OPERATING ACTIVITIES		
Net loss	**$ (321,703)**	**$ (351,188)**
Adjustments to reconcile net loss to cash used in operating activities		
Depreciation	277,311	254,402
Amortization of acquired lease intangible assets	102,200	102,616
Amortization of debt issuance costs	31,103	50,712
Amortization of below market leases	(33,161)	(27,374)
Common stock issued in lieu of cash compensation	33,000	20,023
Restricted stock unit compensation	49,471	—
Changes in operating assets and liabilities		
Accounts receivable	(6,360)	—
Other assets	(39,673)	(17,814)
Deferred rent asset	9,377	12,335
Prepaid expenses	(252,584)	(131,494)
Accounts payable	(50,579)	67,969
Accrued expenses	(6,370)	758
Deferred rent liability	(9,741)	60,447
Net cash provided by (used in) operating activities	**(217,709)**	**41,392**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of land, buildings, other tangible and intangible assets	(1,758,322)	(225,537)
Escrow deposits for purchase of properties	(25,000)	—
Net cash used in investing activities	**(1,783,322)**	**(225,537)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of redeemable interest	500,000	—
Proceeds from related party loan	—	(800,000)
Mortgage loan borrowings	1,275,000	11,287,500
Mortgage loan repayments	(88,021)	(9,861,863)
Deferred financing costs paid in cash	(14,000)	(55,031)
Debt issuance costs paid in cash	(22,662)	(560,128)
Insurance financing borrowings	277,059	106,084
Insurance financing repayments	(83,743)	(42,397)
Distribution on redeemable non-controlling interests	(150,826)	(142,844)
Dividends paid on common stock	(114,373)	(105,101)
Net cash generated from (used in) financing activities	**1,578,434**	**(173,780)**
Net decrease in cash	(422,597)	(357,925)
Cash and cash equivalents and restricted cash - beginning of period	1,122,364	1,398,365
Cash and cash equivalents and restricted cash - end of period	**$ 699,767**	**$ 1,040,440**
CASH TRANSACTIONS		
Interest Paid	317,003	314,894
NON-CASH TRANSACTIONS		
Stock issued for accrued liabilities	11,000	

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 60.9%. 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-K filed with the SEC on March 12, 2021. The results for the three months ended March 31, 2021, are not necessarily indicative of the results to be expected for the year ending December 31, 2021.

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.

The consolidated financial statements include the accounts of all entities in which the Company has a controlling interest. The ownership interests of other investors in these entities are recorded as non-controlling interests or redeemable non-controlling interest. Non-controlling interests are adjusted each period for additional contributions, distributions, and the allocation of net income or loss attributable to the non-controlling interests.

Cash

The Company considers all demand deposits, cashier's checks and money market accounts to be cash equivalents. Amounts included in restricted cash represent funds held by the Company related to tenant escrow reimbursements and immediate repair reserve. The following table provides a reconciliation of the Company's cash and cash equivalents and restricted cash that sums to the total of those amounts at the end of the periods presented on the Company's accompanying Consolidated Statements of Cash Flows:

	March 31, 2021	December 31, 2020
Cash and cash equivalents	$514,967	$ 937,564
Restricted cash	184,800	184,800
Total cash and cash equivalents and restricted cash	$699,767	$ 1,122,364

Revenue Recognition

We have determined that all of our leases should be accounted for as operating leases. The Company leases real estate to its tenants under long-term net leases which we account for as operating leases. Under this method, leases that have fixed and determinable rent increases are recognized on a straight-line basis over the lease term. Certain leases also provide for additional rent based on tenants' sales volumes. These rents are recognized when determinable after the tenant exceeds a sales breakpoint.

Recognizing rent escalations on a straight-line method results in rental revenue in the early years of a lease being higher than actual cash received, creating a straight-line rent asset. Conversely, when actual cash collected is greater than the amount recognized on a straight-line basis, the difference is recognized as a liability. To the extent any of the tenants under these leases become unable to pay their contractual cash rents, the Company may be required to write down the straight-line rent receivable from those tenants, which would reduce rental income. Deferred rent asset as of March 31, 2021 and December 31, 2020 was approximately $117,300 and $126,700, respectively. Deferred rent liability as of March 31, 2021 and December 31, 2020 was approximately $178,900 and $188,600, respectively of which $151,500 and $165,800 respectively related to prepaid rent. The deferred rent asset and liability arise due to the Company recognizing rent on a straight-line basis versus cash received.

The Company reviews the collectability of charges under its tenant operating leases on a regular basis, taking into consideration changes in factors such as the tenant's payment history, the financial condition of the tenant, business conditions in the industry in which the tenant operates and economic conditions in the area where the property is located. In the event that collectability with respect to any tenant changes, beginning with the adoption of ASC 842 as of January 1, 2019, the Company recognizes an adjustment to rental income. The Company's review of collectability of charges under its operating leases includes any accrued rental revenues related to the straight-line method of reporting rental revenue. There were no allowances for receivables recorded in the first quarter of 2021 or 2020.

The Company's leases provide for reimbursement from tenants for common area maintenance ("CAM"), insurance, real estate taxes and other operating expenses. A portion of our operating cost reimbursement revenue is estimated each period and is recognized as rental income in the period the recoverable costs are incurred and accrued.

The Company often recognizes above- and below-market lease intangibles in connection with acquisitions of real estate. The capitalized above- and below-market lease intangibles are amortized over the remaining term of the related leases.

Stock-Based Compensation

The Company records all equity-based incentive grants to employees and non-employee members of the Company's Board of Directors in operating expenses in the Company's Consolidated Statements of Operations based on their fair values determined on the date of grant. Stock-based compensation expense, reduced for estimated forfeitures, is recognized on a straight-line basis over the requisite service period of the award, which is generally the vesting term of the outstanding equity awards.

Real Estate

Acquisitions of real estate are recorded at cost.

Real Estate 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, buildings and tenant improvements. Intangible assets and liabilities consist of the value of in-place leases and above or 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.

The fair value of the In-place lease is the estimated cost to replace the leases (including loss of rent, estimated commissions and legal fees paid in similar leases). The capitalized in-place leases are amortized over the remaining team of the leases as amortization expense. The fair value of the above or 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 above or below market lease values are amortized as a decrease or increase to rental income over the remaining term of the lease. For additional information, see Note 4 - Acquired Lease Intangible Asset, net. And Note 5 - Acquired Lease Intangible Liability, net.

Depreciation Expense

Real estate and related assets are stated net of accumulated depreciation. Renovations, replacements and other expenditures that improve or extend the life of assets are capitalized and depreciated over their estimated useful lives. Expenditures for ordinary maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful life of the buildings, which are generally between 30 and 50 years, tenant improvements, which are generally between 2 and 10 years.

Income Taxes

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, 2021. 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.

The Company also recognizes liabilities for unrecognized tax benefits which are recognized if the weight of available evidence indicates that it is not more-likely-than-not that the positions will be sustained on examination, including resolution of the related processes, if any. As of each balance sheet date, unrecognized benefits are reassessed and adjusted if the Company's judgement changes as a result of new information.

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 March 31, 2021 and December 31, 2020, there were no common stock dilutive instruments.

Impairments

The Company reviews real estate investments and related lease intangibles, for possible impairment when certain events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable though operations plus estimated disposition proceeds. Events or changes in circumstances that may occur include, but are not limited to, significant changes in real estate market conditions, estimated residual values, and an expectation to sell assets before the end of the previously estimated life. Impairments are measured to the extent the current book value exceeds the estimated fair value of the asset less disposition costs for any assets classified as held for sale. There were no impairments in the first quarter of 2021 or 2020.

The valuation of impaired assets is determined using valuation techniques including discounted cash flow analysis, analysis of recent comparable sales transactions, and purchase offers received from third parties, which are Level 3 inputs. The Company may consider a single valuation technique or multiple valuation techniques, as appropriate, when estimating the fair value of its real estate. Estimating future cash flows is highly subjective and estimates can differ materially from actual results.

Deferred Financing Costs

As of March 31, 2021 and December 31, 2020, the Company incurred $621 thousand and $614 thousand of costs associated with its proposed equity raise.

Note 3 – Investments in Real Estate

The Company's real estate is comprised of the following:

	March 31, 2021	December 31, 2020
Property	$39,510,406	$37,352,447
Tenant improvements	482,701	482,701
Acquired lease intangible assets	3,126,132	3,014,149
Total	43,119,239	40,849,297
Less accumulated depreciation and amortization	(2,696,965)	(2,317,454)
Total investments	$40,422,274	$38,531,843

Depreciation expense for the three months ended March 31, 2021 and 2020 was approximately $277,300 and $254,400, respectively.

Acquisitions:

During the three months ended March 31, 2021, the Company acquired one property.

	Total
Property	$2,149,015
Tenant improvements	—
Acquired lease intangible assets	100,379
Total investments	2,249,394
Less acquired lease intangible liability	511,620
Total investments	$1,737,774

The property is located in Mateo, NC and was purchased on February 11, 2021 using a $500,000 capital contribution relating to a redeemable non-controlling interest and debt of $1,275,000. The purchase price of the asset acquisition was allocated to land, building, and acquired lease intangible liabilities based on management's estimate.

Note 4 – Acquired Lease Intangible Asset, net

Intangible assets, net is comprised of the following:

	March 31, 2021	December 31, 2020
Acquired lease intangible assets	3,126,132	3,014,149
Accumulated amortization	(726,306)	(624,106)
Acquired lease intangible assets, net	$2,399,826	$ 2,390,043

The amortization for lease intangible assets for the three months ended March 31, 2021 and 2020 was approximately $102,200 and $102,600, respectively.

The future amortization for intangible assets is listed below:

	As of March 31, 2021
2021 (nine months)	$ 336,600
2022	308,700
2023	308,700
2024	308,700
2025	308,700
2026 and beyond	828,600
	$ 2,400,000

Note 5 – Acquired Lease Intangible Liability, net

Acquired lease intangible liability is comprised of the following:

	March 31, 2021	December 31, 2020
Acquired lease intangible liability	$1,097,412	$ 585,792
Less: recognized rental income	(203,305)	(170,144)
Total below market lease, net	$ 894,107	$ 415,648

The amortization for below market leases for the three months ended March 31, 2021 and 2020 was approximately $33,200 and $27,400, respectively.

The future amortization for intangible liabilities is listed below:

	As of March 31, 2021
2021 (nine months)	$ 127,900
2022	112,500
2023	112,500
2024	112,500
2025	112,600
2026 and beyond	316,100
	$ 894,100

Note 6 – Redeemable Non-Controlling Interests

The following table reflects our RedeemableNon-Controlling Interests:

	Brown Family Trust	GIP Fund I	Greenwal L.C.	Riverside Crossing L.C.	Total
Balance, December 31, 2019	**$ 1,200,000**		**$ 4,965,000**	**$2,033,251**	**$8,198,251**
Distribution on Redeemable Non-Controlling Interest	(20,375)	—	(86,887)	(35,582)	(142,844)
Net income for the year	20,375	—	86,887	35,582	142,844
Balance, March 31, 2020	**$ 1,200,000**	**$ —**	**$ 4,965,000**	**$2,033,251**	**$8,198,251**
Balance, December 31, 2020	**$ 1,200,000**	**$ 486,180**	**$ 4,965,000**	**$2,033,251**	**$8,684,431**
Issuance of Redeemable Non-Controlling Interest for property acquisition	500,000	—	—	—	500,000
Distribution on Redeemable Non-Controlling Interest	(37,104)	—	(33,041)	(80,681)	(150,826)
Net income for the year	37,104	—	33,041	80,681	150,826
Balance, March 31, 2021	**$ 1,700,000**	**$ 486,180**	**$ 4,965,000**	**$2,033,251**	**$9,184,431**

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.

As part of the Company's acquisition of a building for $1.7 million in Mateo, NC, one of the Company's operating subsidiaries entered into a preferred equity agreement with Brown Family Trust on February 11, 2021 pursuant to which the Company's subsidiary received a capital contribution of $500,000. Pursuant to the agreement, the Company will pay the preferred equity member a 9% 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 $500,000. 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.

For the three months ended March 31, 2021 and 2020, the Company paid Brown Family Trust $37,104 and $20,375, respectively in preferred distributions for these two agreements.

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 349,913 common units in Operating Partnership at $20.00 per share for a total value of $6,998,251 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 $20.00 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.

As part of the Company's acquisition of one building on November 30, 2020 for $1.8 million in Tampa, FL, the Operating Partnership entered into a contribution agreement with one entity that resulted in the issuance of 24,309 common units in Operating Partnership at $20.00 per share for a total value of $486,180 or 2.55% 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 $20.00 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 RedeemableNon-Controlling Interest.

For the three months ended March 31, 2021 and 2020, the Company paid these Redeemable Interests $113,722 and $122,469, respectively in distributions.

Note 7 – Equity

Stock Issued for Cash

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 50,000 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 $20.00 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 $20.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

On November 13, 2020, the Company raised $1,000,000 by issuing 50,000 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 $20.00 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 $20.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

Warrants

The Company has 100,000 warrants outstanding as of March 31, 2021 which are immediately exercisable at a price of $20.00 per share of Common Stock, subject to certain circumstances, and which will expire seven years from the date of issuance.

Issue Date	Warrants Issued
April 25, 2019	50,000
November 13, 2020	50,000

There was no intrinsic value for the warrants as of March 31, 2021.

Stock Compensation

On July 15, 2019, the board of directors granted 2,500 restricted shares to each of the two independent directors that will vest every 12 months on an annual basis over 36 months. The award is valued at $50,000 for each grant and is based on the most recent equity pricing issuance of $20 per share. The pro-rated vested shares will be issued upon the annual anniversary of the award. On February 3, 2020, the board of directors granted 2,500 restricted shares to two new independent directors that will vest every 12 months on an annual basis over 36 months. The award is valued at $50,000 for each grant and is based on the most recent equity pricing issuance of $20 per share. The pro-rated vested shares will be issued upon the annual anniversary of the award.

On February 3, 2020, the board of directors granted 6,250 restricted shares to its chief financial officer that will vest every 12 months on an annual basis over 36 months. The award is valued at $125,000 for each grant and is based on the most recent equity pricing issuance of $20 per share. The pro-rated vested shares will be issued upon the annual anniversary of the award. Pursuant to an amended employment agreement in which the chief financial officer waived his right to cash compensation in lieu of being awarded 550 restricted shares of common stock each month until the closing of an initial underwritten public offering, we issued the chief financial officer 2,200 shares of stock in March 2021 representing four months of compensation from December 2020 to March 2021. These shares are valued at $20 per share and are accrued as compensation expense until issued by the Company.

The board authorized the issuance of 14,000 restricted shares to directors, officers and employees effective January 1, 2021 valued at $20.00 per share that will vest annually over 3 years. The pro-rated vested shares will be issued upon the annual anniversary of the award.

Restricted Common Shares issued to the Board and Management

	2021	2020
Number of Shares Outstanding at beginning of the period	14,582	5,000
Restricted Shares Issued	14,000	11,250
Restricted Shares Vested	(3,749)	—
Number of Restricted Shares Outstanding at end of the period	24,833	16,250
Compensation expense	$49,471	$20,023

Common Shareholders Cash Distributions – FY 2021

Board of Directors Authorized Date	Record Date	Per Share Cash Dividend to Common Shareholders	Total Dividends Paid	President Ownership at time of Distribution*
February 26, 2021	March 15, 2021	$ 0.325	$ 114,373	39.0%

* David Sobelman, our president and founder waived his right to receive a dividend for all of these periods mentioned above.

Operating Partnership Cash Distributions

Board of Directors Authorized Date	Record Date	Per Share Cash Dividend to Operating Partnership LP Holders	Total Dividends Paid
February 26, 2021	March 15, 2021	$ 0.325	$ 113,722

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

At March 31, 2021, we had four tenants that each account for more than 10% of our rental revenue for the Three Months ended March 31, 2021 (18.6% for Pratt and Whitney Corporation with respect to the Huntsville, AL property; 24.0% for the General Services Administration with respect to the two-tenant office building in Norfolk, VA; 20.0% for PRA Holding with respect to the single tenant building in Norfolk, VA and 10.5% for Maersk Inc. with respect to two-tenant office building in Norfolk, VA). At March 31, 2020, we had four tenants that each account for more than 10% of our rental revenue for the Three Months ended March 31, 2020 (19.8% for Pratt and Whitney Corporation with respect to the Huntsville, AL property; 26.4% for the General Services Administration with respect to the two-tenant office building in Norfolk, VA; 21.3% for PRA Holding with respect to the single tenant building in Norfolk, VA and 10.7% for Maersk Inc. with respect to two-tenant office building in Norfolk, VA).

The following table presents future minimum base rental cash payments due to the Company over the next five calendar years and thereafter as of March 31, 2021:

	Future Minimum Base Rent Payments
2021 (nine months)	$ 2,682,000
2022	3,597,000
2023	3,228,000
2024	3,233,000
2025	3,245,000
Thereafter	8,359,000
	$ 24,344,000

Note 9 – Promissory Notes

	Interest Rate	Maturity Date	As of March 31, 2021	As of December 31, 2020
Promissory note issued for $3,407,391 by a financial institution. Note was issued on September 11, 2019 and can be prepaid at any time without penalty. Secured by our Walgreen-Cocoa, Florida property.	2.36% adjusted monthly based on 30 day LIBOR plus 225 basis points	9/11/2021	$ 3,407,391	$ 3,407,391
Promissory note issued for $1,286,664 by a financial institution, interest and principal payments due monthly of approximately $3,800 which is calculated based on fixed interest rate of 3.72%. Note was originally issued on January 15, 2015 and modified on November 30, 2020 and can be prepaid at any time without penalty. Secured by out Tampa Sherwin-Williams property.	3.72% fixed rate after using SWAP whereas the loan is LIBOR plus 2.75%	10/23/2024	$ 1,286,664	$ 1,286,664
Promissory note issued for $1,275,000 by a financial institution. Note was issued on February 4, 2021 and can be prepaid at any time without penalty. Secured by our GSA-Mateo, North Carolina property.	3.4% adjusted monthly based on 30 day Wall Street Journal Prime Rate with minimum of 3.25%	2/4/2023	$ 1,275,000	$ —
Promissory note issued for $8,260,000 by a financial institution, interest and principal payments due monthly of approximately $41,500. Note was issued on September 30, 2019 and can be prepaid at any time without penalty. Secured by our GSA/Maersk - Norfolk, Virginia property. The interest rate was reduced in March 2021 from 4.25% to 3.5%.	3.50%	9/30/2024	$ 7,970,279	$ 8,022,271
Promissory note issued for $5,216,749 by a financial institution, interest and principal payments due monthly of approximately $27,400. 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. The interest rate was reduced in March 2021 from 4.25% to 3.5%.	3.50%	10/23/2024	$ 5,005,906	$ 5,041,935
Promissory note issued for $1,900,000 to a Clearlake Preferred Member, secured by all of the personal and fixture property of the Operating Partnership, interest payments due monthly. Note was issued on December 16, 2019 and can be prepaid at any time without penalty.	10.00%	12/16/2021	$ 1,100,000	$ 1,100,000
Promissory note issued for $11,287,500 by a financial institution, interest only payment is approximately $39,000 and starting April 6, 2021, interest and principal payments due monthly of approximately $55,000. Note was issued on February 11, 2020. Secured by our Washington, DC, Tampa, FL and Huntsville, AL properties. It cannot be prepaid without a penalty	4.17%	3/6/2030	$11,287,500	$11,287,500
Less: debt issuance costs, net			(680,749)	(689,190)
			$30,651,991	**$29,456,571**

The Company amortized debt issuance costs during the three-month periods ended March 31, 2021 and 2020 to interest expense of $31,103 and $50,712, respectively. The Company paid debt issuance costs for the three months ended March 31, 2021 and 2020 of $22,662 and $560,128, respectively.

As of March 31, 2021, we had three promissory notes totaling approximately $24.3 million require Debt Service Coverage Ratios (also known as "DSCR") of 1.25:1.0, one promissory note totaling $3.4 million require DSCR of 1.10:1.0, one promissory note totaling $1.3 million require DSCR of 1.20:1.0 and one promissory note totaling $1.3 million require DSCR of 1.30:1.0. We were in compliance with all covenants as of March 31, 2021. The loan issued to the Clearlake Preferred member has no DSCR requirements.

As of March 31, 2021, the Company's President has personally guaranteed the repayment of up to fifty percent of the $3.4 million loan secured by our Cocoa Beach property, the repayment of the $11.3 million due under the DC/Tampa/Huntsville loan, the $1.3 million loan secured by our Tampa Sherwin Williams property and the $1.3 million loan secured by our GSA Mateo, North Carolina property. The aggregate guaranteed principal amount of these loans total approximately $17.3 million. The Company's President has also provided a guaranty of the Borrower's nonrecourse carveout liabilities and obligations in favor of the lender for the Norfolk, Virginia property loans, with an aggregate principal amount of approximately $13.0 million.

The Company modified the loans for the GSA - Norfolk property and the PRA Norfolk property for no fees and reduced the associated interest rate from 4.25% to 3.5%. The Company determined that the debt modification was not substantial under ASC 470-50.

Minimum required principal payments on the Company's debt as of March 31, 2021 are as follows:

2021 (nine months)	$ 4,925,619
2022	1,855,784
2023	602,891
2024	12,145,548
2025	252,318
2026 and beyond	11,550,580
	$31,332,740

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 had previously engaged 3 Properties (a brokerage and asset manager company) that is owned 100% by the Company's CEO, when it purchases properties and to manage properties. This agreement was terminated effective August 31, 2020. For the three months ended March 31, 2020, we paid 3 Properties $13,038 for asset management services related to the property owned by GIP.

Note 11 – Commitments and Contingencies

As of March 31, 2021, we had one outstanding agreement to acquire a property:

A purchase agreement was signed on February 16, 2021 for an approximately7,800-square-foot free-standing office building solely occupied by a single entity. The single-tenant property in the metropolitan Tampa Bay Florida area is under contract for a total consideration of approximately $1.7 million.

Note 12 – Subsequent Event

In April 2021, the Company acquired a single-tenant ,7800 square-foot free standing office building occupied by a single entity in the metropolitan Tampa Bay Florida area for total consideration of approximately $1.7 million. This acquisition was financed with $0.9 million in debt and $0.9 million of preferred joint venture equity.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders 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, 2020 and 2019, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended, and the related notes and the 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, 2020 and 2019, 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 2015.

Houston, Texas

March 12, 2021

Generation Income Properties, Inc.

Consolidated Balance Sheets

	As of December 31, 2020	2019
Assets		
Investment in real estate		
Property	$37,352,447	$35,462,653
Tenant improvements	482,701	482,701
Acquired lease intangible assets	3,014,149	2,858,250
Less accumulated depreciation and amortization	(2,317,454)	(864,898)
Total investments	**38,531,843**	**37,938,706**
Cash and cash equivalents	937,564	974,365
Restricted cash	184,800	424,000
Deferred Rent asset	126,655	65,102
Prepaid expenses	134,165	78,008
Deferred financing costs	614,088	590,990
Accounts Receivable	75,794	73,848
Escrow deposit and other assets	75,831	10,607
Total Assets	**$40,680,740**	**$40,155,626**
Liabilities and Stockholder's Equity		
Liabilities		
Accounts payable	$ 118,462	$ 82,937
Accrued expenses	406,125	473,545
Acquired lease intangible liability, net	415,648	525,144
Insurance payable	40,869	55,200
Deferred rent liability	188,595	89,599
Note Payable - related party	1,100,000	1,900,000
Mortgage loans, net of unamortized discount of $689,190 and $182,255 at December 31, 2020 and December 31, 2019, respectively	28,356,571	26,397,547
Total liabilities	**30,626,270**	**29,523,972**
Redeemable Non-Controlling Interests	8,684,431	8,198,251
Stockholders' Equity		
Common stock, $0.01 par value, 100,000,000 shares authorized; 576,918 shares issued and outstanding at December 31, 2020 and 525,250 at December 31, 2019	5,770	5,253
Additional paid-in capital	5,541,411	4,773,639
Accumulated deficit	(4,177,142)	(2,345,489)
Total Generation Income Properties, Inc. stockholder's equity	**1,370,039**	**2,433,403**
Total Liabilities and Stockholder's Equity	**$40,680,740**	**$40,155,626**

The accompanying notes are an integral part of these consolidated financial statements

Generation Income Properties, Inc.

Consolidated Statements of Operations

	Twelve Months ended December 31,	
	2020	2019
Revenue		
Rental income	$ 3,520,376	$ 1,730,871
Expenses		
General, administrative and organizational costs	919,316	937,109
Building expenses	711,446	266,113
Depreciation and amortization	1,452,556	665,675
Interest expense, net	1,400,129	682,889
Other expenses	—	85,000
Compensation costs	381,544	108,430
Total expenses	4,864,991	2,745,216
Net Loss	$(1,344,615)	$(1,014,345)
Less: Net income attributable to Non-controlling interest	487,038	493,521
Net Loss attributable to Generation Income Properties, Inc.	$(1,831,653)	$(1,507,866)
Total Weighted Average Shares of Common Shares Outstanding	532,281	503,989
Basic and Diluted Loss Per Share Attributable to Common Stockholder	$ (3.44)	$ (2.99)

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 Properties, Inc. Stockholders'	Redeemable Non-Controlling
	Shares	Amount	Capital	Deficit	Equity	Interest
Balance, December 31, 2018	**459,951**	**$ 4,600**	**$3,698,740**	**$ (837,623)**	**$ 2,865,717**	**$ 2,165,634**
Common stock issued for cash	50,000	500	999,500	—	1,000,000	—
Common stock issued for services	15,299	153	321,175	—	321,128	—
Issuance of Redeemable Non-Controlling Interest	—	—	—	—	—	1,200,000
Issuance of Redeemable Operating Partnership Units	—	—	—	—	—	6,998,251
Distribution on Redeemable Non- Controlling Interest	—	—	—	—	—	(261,334)
Redemption of Redeemable Non- Controlling Interest	—	—	—	—	—	(2,397,821)
Dividends Paid on Common Stock	—	—	(245,776)	—	(245,776)	—
Net income (loss) for the year	—	—	—	(1,507,866)	(1,507,866)	493,521
Balance, December 31, 2019	**525,250**	**$ 5,253**	**$4,773,639**	**$(2,345,489)**	**$ 2,433,403**	**$ 8,198,251**
Common stock issued for cash	50,000	500	999,500	—	1,000,000	—
Common stock issued for services	1,668	17	101,628	—	101,645	—
Issuance of Redeemable Operating Partnership Units	—	—	—	—	—	486,180
Distribution on Redeemable Non- Controlling Interest	—	—	—	—	—	(487,038)
Dividends Paid on Common Stock	—	—	(333,356)	—	(333,356)	—
Net income (loss) for the year	—	—	—	(1,831,653)	(1,831,653)	487,038
Balance, December 31, 2020	**576,918**	**$ 5,770**	**$5,541,411**	**$(4,177,142)**	**$ 1,370,039**	**$ 8,684,431**

The accompanying notes are an integral part of these consolidated financial statements

Generation Income Properties, Inc.

Consolidated Statements of Cash Flows

	Twelve Months ended December 31, 2020	2019
OPERATING ACTIVITIES		
Net loss	**$ (1,344,615)**	**$ (1,014,345)**
Adjustments to reconcile net loss to cash generated from (used) in operating activities		
Depreciation	1,041,222	488,828
Amortization of acquired lease intangible assets	411,334	176,847
Amortization of debt issuance costs	134,898	72,424
Amortization of below market leases	(109,496)	(39,461)
Compensation and consulting service expense paid in stock	101,645	321,328
Changes in operating assets and liabilities		
Accounts receivables	(1,946)	(73,848)
Escrow deposit and other assets	(65,224)	(9,095)
Deferred rent asset	(61,553)	(47,094)
Prepaid expense	(56,157)	(68,158)
Accounts payable	35,525	4,712
Accrued expenses	72,030	(164,936)
Deferred rent liability	98,996	89,599
Net cash generated from (used in) operating activities	**256,659**	**(263,199)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of land, buildings, other tangible and intangible assets	(272,849)	(16,714,947)
Escrow deposits for purchase of properties	—	110,000
Net cash used in investing activities	**(272,849)**	**(16,604,947)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of stock	1,000,000	1,000,000
Proceeds from preferred equity	—	1,200,000
Proceeds from related party loan	—	1,900,000
Related party loan repayments	(800,000)	—
Mortgage loan borrowings	11,287,500	16,884,140
Mortgage loan repayments	(10,108,205)	(88,376)
Stock issuance cost paid in cash	—	(124,200)
Debt issuance costs paid by cash	(589,133)	(168,800)
Distribution on redeemable preferred equity	(487,038)	(261,334)
Redemption of redeemable preferred equity	—	(2,397,821)
Dividends paid on common stock	(333,356)	(245,776)
Deferred financing costs	(215,248)	(128,654)
Insurance financing borrowings	189,153	59,891
Insurance financing repayments	(203,484)	(4,691)
Net cash (used in) generated from financing activities	**(259,811)**	**17,624,379**
NET(DECREASE) INCREASE IN CASH	(276,001)	756,233
CASH - BEGINNING OF YEAR	1,398,365	642,132
CASH - END OF YEAR	**$ 1,122,364**	**$ 1,398,365**
CASH TRANSACTIONS		
Interest paid	1,245,012	593,903
NON-CASH TRANSACTIONS		
Operating partnership units issued for property acquisitions	486,180	6,998,251
Debt assumed related to asset acquisition	1,286,664	—
Deferred distribution on redeemable preferred equity accrued	—	207,812
Deferred financing costs on account	224,000	462,337

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 are held by, and operations are conducted through the Operating Partnership. The Company is the general partner of the Operating Partnership which has a current ownership of 60.7%. 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, and 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") which contributed $2.2 million to help purchase this acquisition. TC Huntsville was paid each month in cash a 10% return on their investment and earned an additional deferred 10% return that was paid when the Company redeemed their interest in December 2019. 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.

On December 18, 2019, the Company redeemed 100% of TC Huntsville 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 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 July 10, 2019, the Company formed GIPFL JV 1106 CLEARLAKE ROAD, LLC, which closed an acquisition on September 11, 2019 for approximately $4.5 million including closing costs. As part of the Company's acquisition, this operating subsidiary entered into a preferred equity agreement with the Brown Family Trust ("BFT") 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. 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 BFT until the unpaid preferred return is paid off and then to the Company.

The Company formed two entities, GIPVA 130 CORPORATE BLVD, LLC on August 12, 2019 and GIPVA 2510 WALMER AVE, LLC on July 10, 2019 to acquire on September 30, 2019 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 248,250 common units in the Operating Partnership, priced at $20.00 per unit, for a total value of $4,965,000 plus $822,000 in cash, and the assumption of approximately $6.0 million of 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 101,663 common units in the Operating Partnership, priced at $20.00 per unit, for a total value of $2,033,250 plus $100,000 in cash, and the assumption of approximately $5.2 million of mortgage debt.

On November 18, 2020, the Company formed GIPFL 508 S. Howard Ave, LLC which closed an acquisition on November 30, 2020 for approximately $1.8 million including closing costs. The acquisition of the building was funded by issuing 24,309 common units in the Operating Partnership, priced at $20.00 per unit, for a total value of $486,180 plus $1,000 in cash, and the assumption of approximately $1.3 million of existing mortgage debt.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared by the Company, pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC"). The Company prepares its consolidated financial statements in conformity with generally accepted accounting principles in the United States ("GAAP").

On October 12, 2020, the Company effectuated a one-for-four reverse split of its Common Stock. All information herein has been adjusted to give effect to the reverse split.

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.

The consolidated financial statements include the accounts of all entities in which the Company has a controlling interest. The ownership interests of other investors in these entities are recorded as non-controlling interests or redeemable non-controlling interest. Non-controlling interests are adjusted each period for additional contributions, distributions, and the allocation of net income or loss attributable to the non-controlling interests.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation. For the twelve months ended December 31, 2019, we reclassified $102,646 of property insurance, property taxes and property asset management fees from general, administrative and organizational costs to building expenses to conform with the classifications in 2020. We also reclassified insurance payments and financings from operating activities to investing activities.

Related Party

Related parties, which can be a corporation or individual, are considered to be related if the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Companies are also considered to be related if they are subject to common control or common significant influence. See Note 9 for detailed related party's transactions.

Cash and Cash Equivalents and Restricted Cash

The Company considers all demand deposits, cashier's checks and money market accounts to be cash equivalents. Amounts included in restricted cash represent funds held by the Company related to tenant escrow reimbursements and immediate repair reserve. The following table provides a reconciliation of the Company's cash and cash equivalents and restricted cash that sums to the total of those amounts at the end of the periods presented on the Company's accompanying Consolidated Statements of Cash Flows:

	As of December 31,	
	2020	2019
Cash and cash equivalents	$ 937,564	$ 974,365
Restricted cash	184,800	424,000
Total cash and cash equivalents and restricted cash	$1,122,364	$1,398,365

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.

Revenue Recognition

We have determined that all of our leases should be accounted for as operating leases. The Company leases real estate to its tenants under long-term net leases which we account for as operating leases. Under this method, leases that have fixed and determinable rent increases are recognized on a straight-line basis over the lease term. Certain leases also provide for additional rent based on tenants' sales volumes. These rents are recognized when determinable after the tenant exceeds a sales breakpoint.

Recognizing rent escalations on a straight-line method results in rental revenue recognition of deferred rent assets and liabilities in our Consolidated Balance Sheets. The balance of straight-line rent receivable at December 31, 2020 and 2019 was $127 thousand and $65 thousand, respectively. There was $189 thousand and $90 thousand of deferred rent liability as of December 31, 2020 and 2019, respectively. To the extent any of the tenants under these leases become unable to pay their contractual cash rents, the Company may be required to write down the straight-line rent receivable from those tenants, which would reduce rental income. The deferred rent liability arises when the amount of rental revenue recognized under the straight-line method is more than the cash received.

The Company reviews the collectability of charges under its tenant operating leases on a regular basis, taking into consideration changes in factors such as

the tenant's payment history, the financial condition of the tenant, business conditions in the industry in which the tenant operates and economic conditions in the area where the property is located. In the event that collectability with respect to any tenant changes, beginning with the adoption of ASC 842 as of January 1, 2019, the Company recognizes an adjustment to rental income. The Company's review of collectability of charges under its operating leases includes any accrued rental revenues related to the straight-line method of reporting rental revenue. There were no allowances for receivables recorded in 2020 or 2019.

The Company's leases provide for reimbursement from tenants for common area maintenance ("CAM"), insurance, real estate taxes and other operating expenses. A portion of our operating cost reimbursement revenue is estimated each period and is recognized as rental income in the period the recoverable costs are incurred and accrued.

The Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification 842 "Leases" ("ASC 842") using the modified retrospective approach as of January 1, 2019 and elected to apply the transition provisions of the standard at the beginning of the period of adoption. The Company adopted the practical expedient in ASC 842 that alleviates the requirement to separate lease and non-lease components. As a result, all income earned pursuant to tenant leases is reflected as one line, "Rental Income," in the 2019 consolidated statement of operations and comprehensive income.

The Company often recognizes above- and below-market lease intangibles in connection with acquisitions of real estate. The capitalized above- and below-market lease intangibles are amortized to rental revenue over the remaining term of the related leases.

Other Expenses

During the year ended December 31, 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

Stock-Based Compensation

The Company records all equity-based incentive grants to employees and non-employee members of the Company's Board of Directors in operating expenses in the Company's Consolidated Statements of Operations based on their fair values determined on the date of grant. Stock-based compensation expense, reduced for estimated forfeitures, is recognized on a straight-line basis over the requisite service period of the award, which is generally the vesting term of the outstanding equity awards.

Real Estate

Acquisitions of real estate are recorded at cost.

Depreciation Expense

Real estate and related assets are stated net of accumulated depreciation. Renovations, replacements and other expenditures that improve or extend the life of assets are capitalized and depreciated over their estimated useful lives. Expenditures for ordinary maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful life of the buildings, which are generally between 30 and 50 years, tenant improvements, which are generally between 2 and 10 years.

Real Estate 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, buildings and tenant improvements. Intangible assets and liabilities consist of the value of in-place leases and above or 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.

The fair value of the In-place lease is the estimated cost to replace the leases (including loss of rent, estimated commissions and legal fees paid in similar leases). The capitalized in-place leases are amortized over the remaining team of the leases as amortization expense. The fair value of the above or 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 above or below market lease values are amortized as a decrease or increase to rental income over the remaining term of the lease. For additional information, see Note 4 - Acquired Lease Intangible Asset, net. And Note 5 - Acquired Lease Intangible Liability, net.

Income Taxes

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, 2021. 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.

The Company also recognizes liabilities for unrecognized tax benefits which are recognized if the weight of available evidence indicates that it is not more-likely-than-not that the positions will be sustained on examination, including resolution of the related processes, if any. As of each balance sheet date, unrecognized benefits are reassessed and adjusted if the Company's judgement changes as a result of new information.

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, 2020 and December 31, 2019, there were no common stock dilutive instruments.

Impairments

The Company reviews real estate investments and related lease intangibles, for possible impairment when certain events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable though operations plus estimated disposition proceeds. Events or changes in circumstances that may occur include, but are not limited to, significant changes in real estate market conditions, estimated residual values, and an expectation to sell assets before the end of the previously estimated life. Impairments are measured to the extent the current book value exceeds the estimated fair value of the asset less disposition costs for any assets classified as held for sale. There were no impairments in 2020 or 2019.

The valuation of impaired assets is determined using valuation techniques including discounted cash flow analysis, analysis of recent comparable sales transactions, and purchase offers received from third parties, which are Level 3 inputs. The Company may consider a single valuation technique or multiple valuation techniques, as appropriate, when estimating the fair value of its real estate. Estimating future cash flows is highly subjective and estimates can differ materially from actual results.

Deferred Financing Costs

As of December 31, 2020 and 2019, the Company incurred $614 thousand of costs associated with its proposed equity raise while $591 thousand from cost incurred in 2019 was from both debt and equity raise. The $591 thousand incurred in 2019 was comprised of $416 thousand for the $11.3 million debt issuance and $175 thousand was associated with our ongoing equity raise.

Note 3 – Investments in Real Estate

The Company's real estate is comprised of the following:

	December 31,	
	2020	2019
Property	$37,352,447	$35,462,653
Tenant improvements	482,701	482,701
Acquired lease intangible assets	3,014,149	2,858,250
Total	40,849,297	38,803,604
Less accumulated depreciation and amortization	(2,317,454)	(864,898)
Total investments	$38,531,843	$37,938,706

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.

Depreciation expense for year ended December 31, 2020 and 2019 was $1,041,222 and $488,828, respectively.

Acquisitions:

Fiscal Year 2020

During the year ended December 31, 2020, the Company acquired one property.

	Total
Property	$1,662,904
Tenant improvements	—
Acquired lease intangible assets	184,767
Total investments	1,847,671
Less acquired lease intangible liability	—
Total investments	$1,847,671
Purchase/Contribution value before closing costs	$1,800,000

(a) The property was purchased on November 30, 2020 from a related party for 24,309 common units in the Operating Partnership at a $20.00 per unit price valued in total for $486,180, $1,000 in cash and the assumption of $1,286,664 in existing debt. The Company's president owns 10% of the related party.

Fiscal Year 2019

During the year ended December 31, 2019, the Company acquired the following three properties:

	Property 1 (a)	Property 2 (b)	Property 3 (c)	Total
Property	$ 4,532,942	$10,939,880	$ 6,529,747	$22,002,569
Tenant improvements	—	174,876	72,152	247,028
Acquired lease intangible assets	298,230	1,014,280	613,291	1,925,801
Total investments	4,831,172	12,129,036	7,215,190	24,175,398
Less acquired lease intangible liability	(252,349)	(209,851)	—	(462,200)
Total investments	$ 4,578,823	$11,919,185	$ 7,215,190	$23,713,198
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.

(b) Property 2 was acquired by the Company on September 30, 2019 for 248,250 common units in the Operating Partnership at a $20.00 per unit price valued in total for $4,965,000, $821,715 in cash and the assumption of $6,013,285 in existing debt.

(c) Property 3 was acquired by the Company on September 30, 2019 for 101,663 common units in the Operating Partnership at a $20.00 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 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.

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.

Note 4 – Acquired Lease Intangible Asset, net

Intangible assets, net is comprised of the following:

	As of December 31,	
	2020	2019
Acquired lease intangible assets	$3,014,149	$2,858,250
Accumulated amortization	(624,106)	(212,772)
Acquired lease intangible assets, net	$2,390,043	$2,645,478

The amortization for lease intangible assets for the year ended December 31, 2020 and 2019 was $411,334 and $176,847, respectively.

The future amortization for intangible assets is listed below:

	As of December 31, 2020
2021	$ 411,078
2022	288,215
2023	288,215
2024	288,215
2025	288,215
2026 and beyond	826,105
	$ 2,390,043

Note 5 – Acquired Lease Intangible Liability, net

Acquired lease intangible liability is comprised of the following:

	As of December 31,	
	2020	2019
Acquired lease intangible liability	$ 585,792	$585,792
Less: recognized rental income	(170,144)	(60,648)
Total below market lease, net	$ 415,648	$525,144

The amortization for below market leases for the year ended December 31, 2020 and 2019 was $109,496 and $39,461, respectively.

The future amortization for intangible liabilities is listed below:

	As of December 31, 2020
2021	$ 100,805
2022	47,876
2023	47,876
2024	47,876
2025	47,876
2026 and beyond	123,339
	$ 415,648

Note 6 – Debt

	Interest Rate	Maturity Date	As of December 31, 2020	As of December 31, 2019
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 was repaid in 2020. 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
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 was repaid in 2020. 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
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	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	$ 8,022,271	8,213,077
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	$ 5,041,935	5,178,875
Promissory note issued for $1,286,664 by a financial institution, interest and principal payments due monthly of approximately $3,800. Note was originally issued on January 15, 2015 and modified on November 30, 2020 and can be prepaid at any time without penalty. Secured by out Tampa Sherwin-Williams property.	3.72% fixed	10/23/2024	$ 1,286,664	—
Promissory note issued for $11,287,500 by a financial institution, interest only payment is approximately $39,000 and starting April 6, 2021, interest and principal payments due monthly of approximately $55,000. Note was issued on February 11, 2020. Secured by our Washington, DC, Tampa, FL and Huntsville, AL properties. It cannot be prepaid without a penalty	4.17%	3/06/2030	$11,287,500	—
Promissory note issued for $1,900,000 to a Clearlake Preferred Member, secured by all of the personal and fixture property of the Operating Partnership, interest payments due monthly. Note was issued on December 16, 2019 and can be prepaid at any time without penalty.	10.00%	12/16/2021	$ 1,100,000	1,900,000
Less: debt issuance costs, net			(689,190)	(182,255)
			$29,456,571	**$28,297,547**

During the twelve months ended December 31, 2020 and 2019, the Company incurred and paid $589,133 and $168,800, respectively of debt issuance costs and amortized $134,898 and $55,800, respectively to interest expense.

On November 30, 2020, the Company entered into an interest rate swap to convert the $1,286,664 floating rate promissory note secured by the Tampa Sherwin-Williams property into a fixed rate note. We have determined that the interest rate swap had a nominal fair value through December 31, 2020.

As of December 31, 2020, the Company's President has personally guaranteed the repayment of up to fifty percent of the $3.4 million loan secured by our Cocoa Beach property, the repayment of the $11.3 million due under the DC/Tampa/Huntsville loan and the $1.3 million loan secured by our Tampa Sherwin Williams property. The aggregate guaranteed principal amount of these loans total approximately $14.3 million. The Company's President has also provided a guaranty of the Borrower's nonrecourse carveout liabilities and obligations in favor of the lender for the Norfolk, Virginia property loans, with an aggregate principal amount of approximately $13.1 million.

Minimum required principal payments on the Company's debt as of December 31, 2020 are as follows:

	As of December 31, 2020
2021	$ 4,988,246
2022	550,692
2023	574,513
2024	12,229,411
2025	252,318
2026 and beyond	11,550,580
	$ 30,145,760

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 year ended December 31, 2019, the Company amortized $16,624 of line of credit costs to interest expense.

Note 7 – Redeemable Non-Controlling Interests

The following table reflects our Redeemable Non-Controlling Interests:

	TC Huntsville	Brown Family Trust	Greenwal L.C.	Riverside Crossing L.C.	Total
Balance, December 31, 2018	**$ 2,165,634**	**$ —**	**$ —**	**$ —**	**$ 2,165,634**
Issuance of Redeemable Non-Controlling Interest	—	1,200,000	—	—	1,200,000
Issuance of Redeemable Operating Partnership Units	—	—	4,965,000	2,033,251	6,998,251
Distribution on Redeemable Non-Controlling Interest	(219,709)	(41,625)	—	—	(261,334)
Redemption of Redeemable Non-Controllable Interest	(2,397,821)	—	—	—	(2,397,821)
Net income for the year	451,896	41,625	—	—	493,521
Balance, December 31, 2019	**$ —**	**$ 1,200,000**	**$4,965,000**	**$ 2,033,251**	**$ 8,198,251**

	GIP Fund I	Brown Family Trust	Greenwal L.C.	Riverside Crossing L.C.	Total
Balance, December 31, 2019	**$ —**	**$ 1,200,000**	**$4,965,000**	**$ 2,033,251**	**$8,198,251**
Issuance of Redeemable Operating Partnership Units	486,180	—	—	—	486,180
Distribution on Redeemable Non-Controlling Interest	—	(119,630)	(260,663)	(106,745)	(487,038)
Net income for the year	—	119,630	260,663	106,745	487,038
Balance, December 31, 2020	**$ 486,180**	**$ 1,200,000**	**$4,965,000**	**$ 2,033,251**	**$8,684,431**

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 $2.2 million. Pursuant to the agreement, the Company was required to 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.

On December 18, 2019, the Company redeemed TC Huntsville, LLC 100% 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. The redemption included $208 thousand of deferred distributions reflecting the deferred 10% IRR that were accrued during 2019.

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 BFT 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, is the general manager of the subsidiary. 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 BFT until the unpaid preferred return is paid off and then to the Company.

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 349,913 common units in Operating Partnership at $20.00 per share for a total value of $6,998,251 or 40.7% in our Operating Partnership. The contribution agreement allows for the entity 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 $20.00 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.

As part of the Company's acquisition of one building on November 30, 2020 for $1.8 million in Tampa, FL, the Operating Partnership entered into a contribution agreement with one entity that resulted in the issuance of 24,309 common units in Operating Partnership at $20.00 per share for a total value of $486,180 or 2.55% 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 $20.00 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 8 – Equity

Stock Issued for Cash

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.

The Company paid $124,200 in stock issuance costs during the year ended December 31, 2019 (which were incurred and accrued in the prior year).

On April 25, 2019, the Company raised $1,000,000 by issuing 50,000 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 $20.00 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 $20.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

On November 13, 2020, the Company raised $1,000,000 by issuing 50,000 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 $20.00 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 $20.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

Warrants

The Company has 100,000 warrants outstanding as of December 31, 2020 which are immediately exercisable at a price of $20.00 per share of Common Stock, subject to certain circumstances, and which will expire seven years from the date of issuance.

Issue Date	Warrants Issued
April 25, 2019	50,000
November 13, 2020	50,000

There was no intrinsic value for the warrants as of December 31, 2020 and 2019.

Stock Compensation

On May 31, 2019 we issued 15,299 shares of our common stock for financial advisory and investment banker services reflected as an expense of approximately $305,965 for the twelve months ended December 31, 2019. The fair value of the award is based on the most recent equity pricing issuance of $20 per share.

On July 17, 2019, the board of directors granted 2,500 restricted shares to each of the two independent directors' that will vest every 12 months on an annual basis over 36 months. The award is valued at $50,000 for each grant and is based on the most recent equity pricing issuance of $20 per share. The pro-rated vested shares will be issued upon the annual anniversary of the award. On February 3, 2020, the board of directors granted 2,500 restricted shares to two new independent directors' that will vest every 12 months on an annual basis over 36 months. The award is valued at $50,000 for each grant and is based on the most recent equity pricing issuance of $20 per share. The pro-rated vested shares will be issued upon the annual anniversary of the award.

On February 3, 2020, the board of directors granted 6,250 restricted shares to its chief financial officer that will vest every 12 months on an annual basis over 36 months. The award is valued at $125,000 for each grant and is based on the most recent equity pricing issuance of $20 per share. The pro-rated vested shares will be issued upon the annual anniversary of the award.

Restricted Common Shares issued to the Board and Management

	2020	2019
Number of Shares Outstanding at beginning of the year	5,000	—
Restricted Shares Issued	11,250	5,000
Restricted Shares Vested	(1,668)	—
Number of Restricted Shares Outstanding at beginning of the year	14,582	5,000
Compensation expense	$101,645	$15,363

Common Shareholders Cash Distributions

Board of Directors Authorized Date	Record Date	Per Share Cash Dividend to Common Shareholders	Total Dividends Paid	President Ownership at time of Distribution*
May 20, 2019	May 1, 2019	$ 0.42	$ 119,676	44.1%
October 18, 2019	October 1, 2019	$ 0.42	$ 126,100	42.8%
January 31, 2020	February 28, 2020	$ 0.35	$ 105,101	42.8%
June 23, 2020	July 2, 2020	$ 0.35	$ 105,084	42.8%
October 30, 2020	November 17, 2020	$ 0.35	$ 123,171	39.0%

* David Sobelman, our president and founder waived his right to receive a dividend for all of these periods mentioned above.

Operating Partnership Cash Distributions

Board of Directors Authorized Date	Record Date	Per Share Cash Dividend to Operating Partnership LP Holders	Total Dividends Paid
January 31, 2020	February 28, 2020	$ 0.35	$ 122,470
June 23, 2020	July 2, 2020	$ 0.35	$ 122,470
October 30, 2020	November 17, 2020	$ 0.35	$ 122,468

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 9 – Related-Party Transactions

The Company had previously engaged 3 Properties (a brokerage and asset manager company) that is owned 100% by the Company's CEO, when it purchases properties and to manage properties. This agreement was terminated effective August 31, 2020. For the year ended December 31, 2020 and 2019, we paid 3 Properties $40,135 and $23,260, respectively for asset management services related to the property owned by GIP.

The sellers of properties acquired by the Company paid 3 Properties $230,224 for the year ended December 31, 2019, in brokerage fees for the acquisition of various properties identified for us by 3 Properties. No other fees were paid by the Company to 3 Properties for the year ended December 31, 2020 or 2019.

On November 30, 2020, the Company acquired an approximately 3,500-square-foot building from GIP Fund 1, LLC a related party that is owned 10% by the President and Chairman of the Company. The retail single-tenant property (occupied by The Sherwin-Williams Company) in Tampa, Florida was acquired for approximately $1.8 million and was funded with approximately $1.3 million of debt from Valley National Bank and the issuance of 24,309 partnership units in Generation Income Properties LP valued at $20.00 per unit for purposes of the contribution. Sherwin Williams has a credit rating of BBB from Standard& Poor's with approximately 7.5 years remaining on the lease term for the property.

Note 10 – Leases

For the year ended December 31, 2020 and 2019, we had four tenants that each account for more than 10% of our rental revenue as indicated below:

	2020	2019
Starbucks – Tampa, FL property	*	11.9%
Pratt and Whitney – Huntsville, AL property	21.0%	43.3%
General Services Administration – Walmer Ave. property	25.3%	13.7%
Maersk Shipping – Walmer Ave. property	10.7%	*
PRA Holding – Corporate Blvd. property	21.8%	11.8%

* below 10%

The relevant company annual reports are disclosed in Item 1. Business – Description of Real Estate in Form 1-K.

Future Minimum Rents

The following table presents future minimum base rental cash payments due to the Company over the next five calendar years:

	Future Minimum Base Rent Payments
2021	$ 3,379,000
2022	3,049,000
2023	3,067,000
2024	3,064,000
2025	3,076,000
Thereafter	7,823,000
	$ 23,458,000

Note 11 – 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 2019, 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 $1,396 thousand as of December 31, 2020 and approximately $714 thousand as of December 31, 2019 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, 2020 and 2019 was approximately $1,345,000 and $1,014,000.

Significant components of the tax expense (benefit) recognized in the accompanying consolidated statements of operations for the period December 31, 2020 and December 31, 2019 are as follows:

	Year Ended December 31, 2020	Year Ended December 31, 2019
Current tax benefit		
Federal	$ (466,975)	$ (337,040)
State	(96,630)	(69,735)
Total current tax benefit	(563,605)	(406,775)
Deferred tax expense	266,357	87,360
Rate change adjustment	3,937	—
Valuation allowance	293,311	319,415
Income tax benefit	$ —	$ —

The reconciliation of the income tax computed at the combined federal and state statutory rate of 17.1% as of December 31, 2020 and 21.2% as of December 31, 2019 to the income tax benefit is as follows:

	Year Ended December 31, 2020		Year Ended December 31, 2019	
Benefit on net loss	(313,001)	17.1%	(319,869)	21.2%
Nondeductible expenses	15,753	-1.0%	454	-0.1%
Rate change adjustment	3,937	-0.2%	—	0.0%
Valuation allowance	293,311	-15.9%	319,415	(21.1%)
Tax benefit/effective rate	—	0.0%	—	0.0%

The significant components of the Company's deferred tax liabilities and assets as of December 31, 2020 and December 31, 2019 are as follows:

	As of December 31, 2020	As of December 31, 2019
Deferred tax assets:		
Tax expense for debt issuance costs	$ 170,241	$ 55,899
Loss carryforwards	1,161,562	587,774
Organizational costs	65,050	71,197
Total deferred tax asset	1,396,853	714,870
Valuation allowance	(1,396,853)	(714,870)
Net deferred tax asset	$ —	$ —

The Company's federal and state tax returns for the 2017 through 2019 tax years generally remain subject to examination by U.S. and various state authorities.

Note 12 – Commitments and Contingencies

As of December 31, 2020, we had one outstanding agreement to acquire a property.

A purchase agreement was signed on August 24, 2018, (amended on November 21, 2018) for an approximately 5,800-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 acquired the property in February 2021.

Note 13 – Subsequent Events

The Company acquired an approximately 5,800-square-foot free-standing condominium solely occupied by a federal entity located in a coastal area of North Carolina for total consideration of approximately $1.7 million in February 2021 which was funded with $1.3 million of debt and $0.45 million of a preferred redeemable interest.

On February 26, 2021, our board of directors authorized a $.325 per share cash dividend for shareholders of record of the Company's common stock as of March 15, 2021. David Sobelman, our president, founder and owner of approximately 39% of the Company's common stock outstanding as of the record date, waived his right to receive a dividend for this period. The Company will also pay the Non-Controlling Redeemable Interest in the Operating Partnership $.325 per unit.

The board authorized the issuance of 14,000 restricted shares to directors, officers and employees effective January 1, 2021 valued at $20.00 per share that will vest annually over 3 years.

Generation Income Properties Inc

Schedule III - Real Estate Properties and Accumulated Depreciation

December 31, 2020

Property Name	Encumbrances (1)	Initial Costs		Costs Capitalized Subsequent To Acq.		Gross Value at Close of Period		Total	Acc. Dep	Year Built	Year Acq.
		Land	Building & Improv	Land	Building & Improv	Land & Improv	Building & Improv				
7-11 – D.C.	$ 11,287,500	$ —	$ 2,579,335	—	$ —	$ —	$ 2,579,335	$ 2,579,335	$ (271,498)	2016	2017(2)(5)
Starbucks – FL	11,287,500	1,138,023	2,251,152	—	—	1,138,023	2,251,152	3,389,175	(143,376)	2018	2018(3)(5)
P&W – AL	11,287,500	760,881	6,962,169	—	—	760,881	6,962,169	7,723,050	(355,362)	2003	2018(2)
Clearlake – FL	3,407,391	669,871	3,863,071	—	6,675	669,871	3,869,746	4,539,617	(168,233)	1998	2019(4)
Walmer Ave. - VA	8,022,271	1,993,584	9,121,172	—	215,554	1,993,584	9,336,726	11,330,310	(488,432)	1989	2019(4)(5)
Corporate Blvd. - VA	5,041,935	570,000	6,031,899	—	—	570,000	6,031,899	6,601,899	(259,711)	2007	2019(4)(5)
Sherwin-Williams - FL	1,286,664	692,876	970,028	—	—	692,876	970,028	1,662,904	(2,695)	1947	2020(4)
		$5,825,235	$31,778,826		$222,229	$5,825,235	$32,001,055	$37,826,290	$(1,689,307)		

1 - The $11.3 million loan encumbers the 7-11 DC property, the P&W – AL property and the Starbucks – FL property
2 - Estimated useful life for buildings is - 40 years
3 - Estimated useful life for buildings is - 50 years
4 - Estimated useful life for buildings is - 30 years
5 - Estimated useful life for tenant improvements is – 2 to 10 years

	Washington, DC 7-11	Tampa, FL Starbucks	Huntsville, AL P&W	Tampa, FL Sherwin	Cocoa, FL Walgreens	Norfolk, VA Walmer Ave.	Norfolk, VA Corp. Blvd	Total
Investments in real estate – 2020								
Balance at beginning of period 1/01/2020	$2,700,352	$3,556,322	$8,367,335	$ —	$4,831,172	$12,129,036	$7,215,190	$ 38,799,407
Additions during period:								—
Acquisitions				1,662,904	6,675	215,554	—	1,885,133
Capitalized leasing commissions				184,767	—	(13,268)	(15,599)	155,900
Capitalized tenant improvements				—	—	—	—	0
Balance at end of period 12/31/2020	$2,700,352	$3,556,322	$8,367,335	$1,847,671	$4,837,847	$12,331,322	$7,199,591	$ 40,840,440
Investments in real estate - 2019								
Balance at beginning of period 1/01/2019	$2,700,352	$3,556,322	$8,367,335	$ —	$ —	$ —	$ —	$14,624,009
Additions during period:								—
Acquisitions					4,532,942	10,939,880	6,529,747	22,002,569
Capitalized leasing commissions					298,230	1,014,280	613,291	1,925,801
Capitalized tenant improvements					—	174,876	72,152	247,028
Balance at end of period 12/31/2019	$2,700,352	$3,556,322	$8,367,335		$4,831,172	$12,129,036	$7,215,190	$ 38,799,407

Through and including , 2021 (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.

UNITS
EACH UNIT CONSISTING
OF ONE SHARE OF
COMMON STOCK AND
ONE WARRANT TO
PURCHASE ONE SHARE OF
COMMON STOCK

PROSPECTUS

, 2021

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	$ 3,976
FINRA filing fee	15,500
Legal fees and expenses	478,000
Accounting fees and expenses	78,000
Transfer agent fees	5,000
Miscellaneous	456,524
Total	**$1,037,000**

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 50,000 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 $20.00 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 15,299 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 2,500 restricted shares to each of the two independent directors that will vest annually over 36 months.
- On February 3, 2020, the board of directors granted 2,500 restricted shares to each of its two new independent directors that will vest annually over 36 months.
- On February 3, 2020, the board of directors granted 6,250 restricted shares to its Chief Financial Officer that will vest annually over 36 months.
- On November 13, 2020, the Company raised $1,000,000 by issuing 50,000 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 $20.00 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 December 11, 2020, the board of directors granted 10,000 restricted shares to its four independent directors effective January 1, 2021 that will vest annually over 36 months.
- On December 11, 2020, the board of directors granted 4,000 restricted shares to its three employees effective January 1, 2021 that will vest annually 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 officers and 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 have entered 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 Form S-11 (and are numbered in accordance with Item 601 of Regulation S-K).

Exhibit Number	Exhibit Description
1.1	Form of Underwriting Agreement (filed herewith)
3.1	Articles of Amendment and Restatement of Generation Income Properties, Inc. (incorporated by reference to Exhibit 2.1 of our Form 1-A/A filed on January 28, 2016)
3.1.1	Articles of Amendment to Amended and Restated Articles of Incorporation. (incorporated by reference from Exhibit 2.1 to Form 1-U filed on October 9, 2020.)
3.2	Bylaws of Generation Income Properties, Inc. (incorporated by reference to Exhibit 2.2 of our Form 1-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 Form 1-A POS filed on March 29, 2018)
4.2	Form of Stock Certificate (incorporated by reference to Exhibit 3.3 of our Form 1-A filed on September 16, 2015)
4.3	Amended and Restated 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)
4.4	First Amendment to Amended and Restated Agreement of Limited Partnership of Generation Income Properties, L.P. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
4.5	Second Amendment to Amended and Restated Agreement of Limited Partnership of Generation Income Properties, L.P. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
4.6	Common Stock Purchase Warrant, dated April 17, 2019. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
4.7	Common Stock Purchase Warrant dated November 12, 2020. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021).
4.8	Form of Representative's Warrant (filed herewith)
4.9	Form of Common Stock Purchase Warrant (filed herewith)
4.10	Form of Warrant Agent Agreement (filed herewith)
5.1	Legal Opinion of Foley & Lardner LLP (filed herewith)
8.1	Tax Matters Opinion of Foley & Lardner LLP. (filed herewith)
10.1	Generation Income Properties, Inc. 2020 Omnibus Incentive Plan. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021) +
10.2	Purchase and Sale Agreement (Manteo, NC), dated August 24, 2018 (incorporated by reference to Exhibit 6.1 of our Form 1-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 Form 1-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. (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.4.1	First Amendment to Loan Agreement dated August 27, 2019 by and among Generation Income Properties, Inc. and American Momentum Bank. (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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. (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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. (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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. (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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. (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.9	Limited Guaranty Agreement made by David E. Sobelman in favor of American Momentum Bank effective as of April 4, 2018 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).

10.10	Limited Guaranty Agreement made by David E. Sobelman in favor of American Momentum Bank effective as of December 20, 2018 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.11	Limited Guaranty Agreement made by David E. Sobelman in favor of American Momentum Bank effective as of September 11, 2019 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.14	Form of Director Indemnification Agreement (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).+
10.15	Form of Director and Officer Restricted Stock Award Agreement (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).+
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)+
10.17.1	Amendment No. 1 to Employment Agreement with Richard Russell (incorporated by reference to Exhibit 6.16.1 to Form 1-K filed on March 12, 2021.)+
10.17.2	Amendment No. 2 to Employment Agreement with Richard Russell (filed herewith).+
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 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).+
10.22	Form of Officer and Director Indemnification Agreement (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).+
10.23	Property Management Agreement between 3 Properties LLC and Generation Income Properties Inc. (Walmer Avenue and Corporate Boulevard Properties) (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.24	Property Management Agreement between 3 Properties LLC and Generation Income Properties Inc. (Cocoa Property) (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.25	Property Management Agreement between 3 Properties LLC and Generation Income Properties Inc. (DC/Tampa/Alabama Properties) (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
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 (incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-11 filed on February 14, 2020).
10.28	Contribution and Subscription Agreement between the Company and Riverside Crossing, L.C. . (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
10.28.1	Amendment to Contribution and Subscription Agreement with Riverside Crossing, L.C. . (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
10.29	Contribution and Subscription Agreement between the Company and Greenwal, L.C. . (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
10.29.1	Amendment No. 1 to Contribution and Subscription Agreement with Greenwal, L.C. . (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
10.29.2	Amendment No. 2 to Contribution and Subscription Agreement with Greenwal, L.C. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021)
10.30	Stock Redemption Agreement between the Company and David E. Sobelman dated June 10, 2021 (filed herewith).
10.31	Contribution and Subscription Agreement, dated October 28, 2020, between Generation Income Properties, L.P. and GIP Fund 1, LLC. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021).
10.32	Limited Liability Company Agreement of GIPNC 201 Etheridge Road, LLC dated November 20, 2020. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021).
10.33	Second Amendment to Purchase and Sale Agreement (Manteo, NC), dated November 24, 2020. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021).

10.34	$1,275,000 Promissory Note with American Momentum Bank dated February 4, 2021. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021).
10.35	Limited Liability Company Agreement of GIPFL 702 Tillman Place, LLC dated March 29, 2021. (incorporated by reference to Exhibit 15.2 to the Company's Form 1-U filed on April 28, 2021).
10.36	Loan Agreement between GIPFL 702 Tillman Place, LLC and the Bank of Tampa dated April 21, 2021. (incorporated by reference to Exhibit 15.3 to the Company's Form 1-U filed on April 28, 2021).
10.37	Tax Protection Agreement between the Company and Riverside Crossing, L.C. dated September 30, 2019. (filed herewith).
10.38	Tax Protection Agreement between the Company and Greenwal, L.C. dated September 30, 2019. (filed herewith).
10.39	Guaranty Agreement dated April 21, 2021 between David Sobelman in the favor of the Bank of Tampa. (filed herewith).
10.40	Purchase and Sale Agreement between GIPFL JV 1106 Clearlake Road, LLC and The Kissling Interests, LLC. (filed herewith).
21.1	List of Subsidiaries (filed herewith)
23.1	Consent of MaloneBailey, LLP (filed herewith)
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) (incorporated by reference to the Company's Amendment No.1 to Registration Statement on Form S-11 filed on February 14, 2020)
99.1	Prior Performance Tables (filed herewith)
99.2	Form of Lock-Up with Underwriter. (incorporated by reference to the Company's Amendment No. 5 to Registration Statement on Form S-11 filed on April 12, 2021).

+ 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 17th day of June 2021.

Generation Income Properties, Inc.

By: /s/ David Sobelman
David Sobelman
President and Chief Executive Officer (Principal Executive Officer)

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 and Chief Executive Officer (Principal Executive Officer) and Chairman of the Board	June 17, 2021
/s/ Richard Russell Richard Russell	Chief Financial Officer (Principal Financial and Accounting Officer)	June 17, 2021
/s/ Benjamin Adams Benjamin Adams	Director	June 17, 2021
/s/ Patrick Quilty Patrick Quilty	Director	June 17, 2021
/s/ Betsy Peck Betsy Peck	Director	June 17, 2021
/s/ Stuart Eisenberg Stuart Eisenberg	Director	June 17, 2021

Exhibit 1.1

[_____] UNITS
EACH UNIT CONSISTING OF
ONE SHARE OF COMMON STOCK
AND
ONE WARRANT TO PURCHASE ONE SHARE OF COMMON STOCK

GENERATION INCOME PROPERTIES, INC.

UNDERWRITING AGREEMENT

[_____], 2021

Maxim Group LLC
405 Lexington Avenue
New York, NY 10174

Acting severally on behalf of itself
and as Representative of the several Underwriters
*named on **Schedule 1(a)** annexed hereto.*

Ladies and Gentlemen:

Generation Income Properties, Inc., a Maryland corporation (the "**Company**"), proposes, subject to the terms and conditions contained herein (this "**Agreement**"), to sell to you and the other underwriters named on **Schedule 1(a)** to this Agreement (the "**Underwriters**"), for whom Maxim Group LLC ("**Maxim**") is acting as Representative (the "**Representative**," "**you**" or similar terminology), an aggregate of [___] units (the "**Units**"), with each Unit consisting of one share of the Company's common stock, par value $0.01 per share (the "**Common Stock**"), and one warrant to purchase one share of Common Stock, in the form attached hereto as **Exhibit C** ("**Warrant**"). The respective amounts of the Units to be purchased by each of the several Underwriters are set forth opposite their names on **Schedule 1(a)** hereto. In addition, the Company proposes to grant to the Underwriters an option to purchase up to an additional [___] Option Shares and/or [___] Option Warrants from the Company for the purpose of covering over-allotments in connection with the sale of the Firm Units (each as defined below). The Firm Shares and the Option Shares are collectively referred to herein as the context requires as the "**Shares**." The Units have no stand-alone rights and will not be certificated or issued as stand-alone securities. The shares of Common Stock and the Warrants comprising the Units are immediately separable and will be issued separately in the Offering.

The Company has prepared and filed in conformity with the requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the published rules and regulations thereunder (the "**Rules**") adopted by the Securities and Exchange Commission (the "**Commission**"), a Registration Statement (as hereinafter defined) on Form S-11 (File No. 333-235707), including a preliminary prospectus relating to the Shares, Warrants, Warrant Shares, and Representative's Securities (collectively, the "**Securities**"), and such amendments thereof, as may have been required to the date of this Agreement. Copies of such Registration Statement (including all amendments thereof) and of the related Preliminary Prospectus (as hereinafter defined) have heretofore been delivered by the Company to you. The term "**Preliminary Prospectus**" means any preliminary prospectus included at any time as a part of the Registration Statement or filed with the Commission by the Company pursuant to Rule 424(a) of the Rules. The term "**Registration Statement**" as used in this Agreement means the initial registration statement (including all exhibits, financial statements and schedules and all documents and information deemed to be a part of the Registration Statement through incorporation by reference or otherwise), as amended at the time and on the date it is declared effective by the Commission (the "**Effective Date**"), including the information (if any) contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) of the Rules and deemed to be part thereof at

the time of effectiveness pursuant to Rule 430A of the Rules. If the Company has filed an abbreviated registration statement to register additional Securities pursuant to Rule 462(b) under the Rules (the "**462(b) Registration Statement**"), then any reference herein to the Registration Statement shall also be deemed to include such 462(b) Registration Statement. The term "**Prospectus**" as used in this Agreement means the prospectus in the form included in the Registration Statement at the time of effectiveness or, if Rule 430A of the Rules is relied on, the term Prospectus shall also include the final prospectus filed with the Commission pursuant to and within the time limits described in Rule 424(b) of the Rules.

The Company and Generation Income Properties, L.P., a Delaware limited partnership of which the Company is the sole general partner (the "**Operating Partnership**" and together with the Company, the "**Transaction Entities**"), each understand that the Underwriters propose to make a public offering of the Units (the "**Offering**"), as set forth in and pursuant to the Statutory Prospectus (as hereinafter defined) and the Prospectus, as soon after the Effective Date and the date of this Agreement as the Representative deems advisable. Each of the Transaction Entities hereby confirms that the Underwriters and dealers have been authorized to distribute or cause to be distributed each Preliminary Prospectus, and each Issuer Free Writing Prospectus, if any (as hereinafter defined) and are authorized to distribute the Prospectus (as from time to time amended or supplemented if the Company furnishes amendments or supplements thereto to the Underwriters).

Concurrently with or immediately following the Closing Date (as hereinafter defined), the Company will contribute the net proceeds of the Offering to the Operating Partnership in exchange for a number of common units of the interest in the Operating Partnership (the "**OP Units**") that is equivalent to the number of Shares sold to the Underwriters.

1. **Sale, Purchase, Delivery and Payment for the Securities** On the basis of the representations, warranties and agreements contained in, and subject to the terms and conditions of, this Agreement:

(a) The Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, an aggregate of [__] Units, consisting of [__] shares of Common Stock ("**Firm Shares**") and warrants to purchase [__] shares of Common Stock ("**Firm Warrants**," and together with the Firm Shares, the "**Firm Units**"), in the amounts set forth opposite the name of such Underwriter on **Schedule 1(a)** to this Agreement, subject to adjustment in accordance with Section 8 hereof. Each of the Underwriters agrees, severally and not jointly, to purchase the Firm Units at a purchase price of $[___] per Unit, representing a 9% discounted price from the price the Underwriters shall sell the Units to the public, and the purchase price of each Firm Unit shall be allocated as follows: (i) $[__] per Firm Share (the "**Share Purchase Price**") and (ii) $0.0091 per Firm Warrant (the "**Warrant Purchase Price**"). The Firm Units are to be offered initially to the public at the price of $[__] per Unit ($[__] per share of Common Stock and $0.01 per Warrant).

(b) The Company hereby grants to the several Underwriters an option to purchase, severally and not jointly, up to [__] shares of Common Stock, representing 15% of the Firm Shares sold as part of the Firm Units (the "**Option Shares**") at the Share Purchase Price and/or warrants to purchase up to [__] shares of Common Stock, representing 15% of the Firm Warrants sold as part of the Firm Units (the "**Option Warrants**," together with the Option Shares, the "**Option Securities**") at the Warrant Purchase Price. The number of Option Shares and/or Option Warrants to be purchased by each Underwriter shall be the same percentage (adjusted by the Representative to eliminate fractions) of the total number of Option Shares and/or Option Warrants to be purchased by the Underwriters as such Underwriter is purchasing of the Firm Units. Such option may be exercised only to cover over-allotments in the sales of the Firm Units by the Underwriters and may be exercised in whole or in part at any time on or before noon, New York City time, on the business day before the Firm Closing Date (as defined below), and from time to time thereafter on or before the 45th day after the date of this Agreement, in each case upon written or electronic notice, or verbal or telephonic

notice confirmed by written or electronic notice, by the Representative to the Company no later than noon, New York City time, on the business day before the Firm Closing Date or at least one business day before the Option Closing Date (as defined below), as the case may be, setting forth the number of Option Shares and/or Option Warrants to be purchased and the time and date (if other than the Firm Closing Date) of such purchase. The Firm Warrants and the Option Warrants, if any, shall be issued pursuant to, and shall have the rights and privileges set forth in the Warrant Agency Agreement between the Company and VStock Transfer, LLC (the "**Warrant Agency Agreement**"). The shares of Common Stock underlying the Firm Warrants and the Option Warrants are collectively referred to herein as the context requires as the "**Warrant Shares**."

(c) The Company shall issue and sell to the Representative (and/or its designees) on the Firm Closing Date and/or Option Closing Date for an aggregate purchase price of $100.00, warrants (the "**Representative's Warrants**") for the purchase of an aggregate of [___] shares of Common Stock (which is equal to an aggregate of 9.0% of the Firm Units sold in the Offering) and up to an additional [___] shares of Common Stock if the Underwriters purchase all of the Option Shares (which is equal to an aggregate of 9.0% of the Option Shares sold in the Offering). The Representative's Warrants shall be issuable pursuant to the Representative's Warrant Agreement in the form attached hereto as **Exhibit B** (the "**Representative's Warrant Agreement**") and exercisable, in whole or in part, commencing on a date which is 180 days after the Effective Date and expiring on the five-year anniversary of the Effective Date at an initial exercise price of $[__], which is equal to 125% of the public offering price of each Unit. The Representative's Warrant Agreement and the shares of Common Stock issuable upon exercise of the Representative's Warrant Agreement (the "**Representative's Warrant Shares**") are sometimes hereinafter referred to together as the "**Representative's Securities**." The Representative understands and agrees that there are significant restrictions pursuant to FINRA Rule 5110 against transferring the Representative's Warrant and the Representative's Warrant Shares during the 180 days after the Effective Date and by its acceptance thereof each shall agree that it will not sell, transfer, assign, pledge or hypothecate the Representative's Warrant Agreement, or any portion thereof, the Representative's Warrant Shares, or any portion thereof, or be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such securities for a period of 180 days following the Effective Date to anyone other than (i) an Underwriter or a selected dealer in connection with the Offering, or (ii) a bona fide officer or partner of the Representative or of any such Underwriter or selected dealer; and only if any such transferee agrees to the foregoing lock-up restrictions.

(d) For a period of 14 months starting on the Firm Closing Date, the Company shall grant the Representative a right of first participation to act as a co-manager with at least 50% of the economics, or in the case of a three-handed deal, 40% of the economics, for any and all future public and private equity and debt (excluding commercial bank debt, debt associated with the acquisition of real property, and Exempted Offerings) offerings undertaken by the Company or any direct or indirect subsidiary of the Company. "**Exempted Offering**" means (i) any contribution of property to the Operating Partnership or any of its subsidiaries in exchange for OP Units or equity interests in a subsidiary, (ii) any offering of equity interests by a subsidiary of the Transaction Entities to fund the purchase or development of properties, (iii) issuances of equity to the Company's employees under any compensation plan approved by the Company's stockholders, (iv) any issuance of equity interests by a subsidiary of the Company as payment for an acquisition or as part of a joint venture or other bona fide strategic transaction, provided that the primary purpose is not for financing and only to the extent that the strategic transaction was not introduced by any investment bank or placement agent, (v) any financing provided by any person or entity who is or was a holder of the debt or equity of a Transaction Entity immediately prior to the closing of the purchase of the Firm Units pursuant hereto, for which the Company does not use a placement agent, underwriter or other financial advisor, or (vi) any issuance of Common Stock by the Company after the Lock-Up Period (defined herein) in exchange for OP Units or equity interests of a subsidiary that were issued pursuant to a transaction described in clauses (i) through (v).

(e) Payment of the purchase price for, and delivery of the Firm Units and Representative's Warrants shall be made at the offices of Maxim Group LLC, 405 Lexington Avenue, New York, NY 10174, at such other place, or remotely, as shall be agreed upon by the Representative and the Company, at 10:00 a.m., New York City time, on the second (or if the Firm Units are priced, as contemplated by Rule 15c6-1(c) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), after 4:30 p.m. New York City time, third) business day following the date of this Agreement or at such time on such other date, not later than 10 business days after the date of this Agreement, as shall be agreed upon by the Company and the Representative (such time and date of delivery and payment are called the "**Firm Closing Date**"). In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the purchase price, and delivery of such Option Securities shall be made at the above-mentioned offices, at such other place, or remotely, as shall be agreed upon by the Representative and the Company, on each date of delivery as specified in the notice from the Representative to the Company (such time and date of delivery and payment are called the "**Option Closing Date**"). The latest possible Option Closing Date is the 45th day after the date of this Agreement. The Firm Closing Date and any Option Closing Date are called, individually, a "**Closing Date**" and, together, the "**Closing Dates**."

(f) The Representative shall pay the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery of the Securities to the Representative for the respective accounts of the Underwriters of the Securities to be purchased by them.

(g) The Firm Shares, Firm Warrants, and Option Shares and/or Option Warrants shall be delivered on each Closing Date by or on behalf of the Company to the Underwriters through the facilities of the Depository Trust Company ("**DTC**") for the account of each Underwriter.

2. **Representations and Warranties of the Company**. Each of the Transaction Entities, jointly and severally, represents and warrants to each Underwriter as of the date hereof, as of the Firm Closing Date and as of each Option Closing Date (if any), as follows:

(a) Each of the Registration Statement, any Rule 462(b) Registration Statement and any post-effective amendment thereto, conformed and will conform in all material respects, at the time it became effective and at each Closing Date, to the requirements of the Securities Act and the Rules. Each Prospectus (and any amendment or supplement thereto) conformed or will conform in all material respects when filed with the Commission and at each Closing Date to the requirements of the Securities Act and the Rules. At the Effective Date, at the date hereof and at each Closing Date, the Registration Statement and any post-effective amendment did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. Each of (i) the General Disclosure Package (as defined below) as of the Applicable Time (as defined below) and at each Closing Date, (ii) any electronic road show or investor presentation (including without limitation any "bona fide electronic road show" as defined in Rule 433(h)(5) under the Securities Act) delivered to the Underwriters and approved by the Company and the Underwriters for use in connection with the marketing of the Offering (collectively, the "**Marketing Materials**") as of the time of their use and at each Closing Date, (iii) any individual oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act ("**Testing-the-Waters Communication**"), when considered together with the General Disclosure Package, and (iv) the Prospectus, as amended or supplemented, as of its date, at the time of filing pursuant to Rule 424(b) under the Securities Act and at each Closing Date, did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, none of the representations and warranties set forth above in this Section 2(a) shall apply to statements in, or omissions from, the Registration Statement, any Preliminary Prospectus or the Prospectus made in reliance upon, and in conformity with, information herein or otherwise furnished in writing by the Representative to the Company on behalf of the several Underwriters specifically

for use in the Registration Statement, any Preliminary Prospectus or the Prospectus, as the case may be. With respect to the preceding sentence, the Company acknowledges that the only information furnished in writing by the Representative on behalf of the several Underwriters for use in the Registration Statement, any Preliminary Prospectus or the Prospectus consists solely of the following disclosure contained in the "Underwriting" section of the Prospectus: (i) the first paragraph under the heading "Discounts and Commissions" and (ii) the second, third, and fifth paragraphs and the second and third sentence of the fourth paragraph under the heading "Price Stabilization, Short Positions and Penalty Bids" (collectively, the "**Underwriter Information**"). Each Preliminary Prospectus delivered to the Underwriters for use in connection with the Offering and the Prospectus was or will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T. The Prospectus, any Preliminary Prospectus and any supplement thereto or prospectus wrapper prepared in connection therewith, at their respective times of issuance and at the Closing Date, complied and will comply in all material respects with any applicable laws or regulations of foreign jurisdictions in which the Prospectus and such Preliminary Prospectus, as amended or supplemented, if applicable, are distributed in connection with the offer and sale of the Units.

As used in this Section 2(a) and elsewhere in this Agreement:

"**Applicable Time**" means 10:00 a.m. (Eastern time) on the date of this Agreement.

"**General Disclosure Package**" means the Statutory Prospectus, the Prospectus, any Issuer Free Writing Prospectus issued at or prior to the Applicable Time, and the information included on **Schedule 2(a)**, all considered together.

"**Statutory Prospectus**" means the Preliminary Prospectus relating to the Firm Units that is included in the Registration Statement immediately prior to the Applicable Time.

"**Issuer Free Writing Prospectus**" means each "**free writing prospectus**" (as defined in Rule 405 of the Rules) prepared by or on behalf of the Company or used or referred to by the Company in connection with the Offering that is set forth on **Schedule 2(B)**.

(b) Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company has not prepared, used, authorized, approved or referred to – and will not prepare, use, authorize, approve or refer to – any "**written communication**" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Securities other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act, or (ii) the documents listed on **Schedule 2(b)** hereto and any other written communications approved in writing in advance by the Representative consisting of each electronic road show. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Firm Units or until any earlier date that the Company notified or notifies the Representative as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict in any material respect, with the information contained in the Registration Statement, the General Disclosure Package or the Prospectus. If at any time following the issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict in any material respect with the information contained in the Registration Statement, the General Disclosure Package or the Prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances prevailing at the subsequent time, not misleading, the Company has promptly notified or will promptly notify the Representative and has promptly amended or will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(c) The Company has made at least one version of the road show available without restriction by means of graphic communication to any person, including any potential investor in the Firm Units (and if there is more than one version of a road show for the offering that is a written communication, the version available without restriction was made available no later than the other versions).

(d) The Registration Statement is effective under the Securities Act and no stop order preventing or suspending the effectiveness of the Registration Statement or suspending or preventing the use of any Preliminary Prospectus, the Prospectus or any "free writing prospectus", as defined in Rule 405 under the Rules, has been issued by the Commission and, to the knowledge of the Transaction Entities, no proceedings for that purpose have been instituted or are threatened under the Securities Act. Any required filing of any Preliminary Prospectus and/or the Prospectus and any supplement thereto pursuant to Rule 424(b) of the Rules has been or will be made in the manner and within the time period required by such Rule 424(b). Any material required to be filed by the Company pursuant to Rule 433(d) of the Rules has been or will be made in the manner and within the time period required by that Rule.

(e) (i) At the time of filing the Registration Statement, (ii) at the earliest time after the Effective Date that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the Rules) of the Units, and (iii) at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 of the Rules, including (but not limited to) the Company or any other Subsidiary in the preceding three years having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 of the Rules.

(f) The financial statements of the Company and the properties listed on **Schedule 2(f)** hereto (the "**Significant Properties**") (including all notes and schedules thereto) included in the Registration Statement, the General Disclosure Package and Prospectus present fairly the financial position of such entities and their Subsidiaries (as defined below), if any, at the dates indicated and the statement of operations, stockholders' equity and cash flows of, or such other permitted financial statements for, such entities and their Subsidiaries, if any, for the periods specified, and related schedules and notes thereto, and the unaudited financial information filed with the Commission as part of the Registration Statement, have been prepared in conformity with generally accepted accounting principles ("GAAP"), consistently applied throughout the periods involved. The pro forma financial statements and the related notes thereto included in the Registration Statement, the General Disclosure Package and the Prospectus present fairly the information shown therein, have been prepared in all material respects in accordance with the Commission's rules and guidelines with respect to pro forma financial statements and have been properly compiled on the bases described therein, and subject to such rules and guidelines, the Company believes the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included or incorporated by reference in the Registration Statement, the General Disclosure Package or the Prospectus under the Securities Act or the Rules promulgated thereunder. All disclosures contained in the Registration Statement, the General Disclosure Package or the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply in all material respects with Regulation G of the Exchange Act, and Item 10 of Regulation S-K of the Securities Act, to the extent applicable.

(g) MaloneBailey, LLP (the "**Auditor**"), whose reports are filed with the Commission as a part of the Registration Statement, is and during the periods covered by its reports, was, to the knowledge of the Transaction Entities, an independent public accounting firm as required by the Securities Act, the Rules and the rules and regulations of the Public Company Accounting Oversight Board. The Auditor has not during the periods covered by the financial statements included in the Registration Statement, the General Disclosure Package and the Prospectus provided to the Company any non-audit services, as such term is defined in Section 10A(g) of the Exchange Act.

(h) The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Maryland and has corporate power and authority to own, lease, and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement, the Operating Partnership Agreement and the various other agreements required hereunder and thereunder to which it is a party; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except for such jurisdictions where the failure to so qualify individually or in the aggregate would not have a material adverse effect on the assets, properties, condition, financial or otherwise, or in the results of operations, business affairs or business prospects (as described in the Registration Statement, the General Disclosure Package and the Prospectus) of the Transaction Entities and their Subsidiaries considered as a whole (a "**Material Adverse Effect**").

(i) The Operating Partnership has been duly formed and is validly existing as a limited partnership in good standing under the laws of the State of Delaware, is duly qualified to do business and is in good standing as a foreign limited partnership in each jurisdiction in which its ownership or lease of property and other assets or the conduct of its business requires such qualification, except where the failure to so qualify will not have a Material Adverse Effect, and has all power and authority necessary to own or hold its properties and other assets, to conduct the business in which it is engaged and to enter into and perform its obligations under this Agreement, the Operating Partnership Agreement and the various other agreements required hereunder and thereunder to which it is a party. The Company is the sole general partner of the Operating Partnership. The Amended and Restated Agreement of Limited Partnership of the Operating Partnership, in the form filed as an exhibit to the Registration Statement (the "**Operating Partnership Agreement**"), is in full force and effect, and the aggregate percentage interests of the Company and the limited partners in the Operating Partnership are as set forth in the Registration Statement, the General Disclosure Package and the Prospectus.

(j) Each subsidiary of the Operating Partnership and the Company (each a "**Subsidiary**" and, collectively, the "**Subsidiaries**") has been duly organized and is validly existing in good standing under the laws of the jurisdiction of its incorporation or organization, has corporate or similar power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not materially affect the value or use of such property or business. Except as otherwise disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, all of the issued and outstanding capital stock or equity interests of each Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through subsidiaries, free and clear of any material security interest, mortgage, pledge, lien, encumbrance, claim or equity. None of the outstanding shares of capital stock or equity interests of any Subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary. The Company does not own or control, directly or indirectly, any corporation, association or other entity that is or will be a "significant subsidiary" (within the meaning of Rule 1-02(w) of Regulation S-X) other than the entities listed on **Schedule 2(j)**. For purposes of this Agreement, "subsidiary" means each direct and indirect subsidiary of the Company, including the Operating Partnership.

(k) The authorized, issued and outstanding shares of capital stock of the Company are as set forth in the Registration Statement, the General Disclosure Package and the Prospectus under the caption "Description of Shares." The outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable. The outstanding shares of capital stock of the Company were issued in compliance with federal and state securities laws. None of the outstanding shares of capital stock of the Company was issued in violation of any preemptive or other similar rights of any

securityholder of the Company. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, there are (i) no shares of capital stock of the Company are reserved for any purpose, (ii) no outstanding securities convertible into or exchangeable for any shares of capital stock of the Company, and (iii) no outstanding options, rights (preemptive or otherwise) or warrants to purchase or subscribe for shares of capital stock or any other securities of the Company.

(l) The outstanding OP Units of the Operating Partnership have been duly authorized for issuance by the Operating Partnership and the Company as its general partner and were validly issued in compliance with federal and state securities laws and not in violation of any preemptive right, resale right, right of first refusal, or other right. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, no OP Units are reserved for any purpose and there are no outstanding securities convertible into or exchangeable for any OP Units and no outstanding options, rights (preemptive or otherwise) or warrants to purchase or subscribe for OP Units or other securities of the Operating Partnership. The terms of the OP Units conform in all material respects to statements and descriptions related thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus.

(m) All necessary corporate action (or limited partnership authorization, as applicable) has been duly and validly taken by each of the Transaction Entities or the applicable Transaction Entity to authorize the execution, delivery and performance of this Agreement, the Warrants, the Warrant Agency Agreement, and the Representative's Warrant Agreement (the "**Transaction Documents**") and the issuance and sale of the Shares and, upon exercise of the Warrants and the Representative's Warrant, the Warrant Shares and Representative's Warrant Shares, respectively. The Transaction Documents have been duly authorized, executed and delivered by each of the Transaction Entities or the Company, as applicable.

(n) (i) The Operating Partnership Agreement has been duly and validly authorized, executed and delivered by the Company and the Operating Partnership (and, to the knowledge of the Transaction Entities, by each other party thereto) and is a valid and binding agreement of the Company and the Operating Partnership (and, to the knowledge of the Transaction Entities, of each other party thereto), enforceable against the Company and the Operating Partnership (and, to the knowledge of the Transaction Entities, against each other party thereto) in accordance with its terms; (ii) each of the agreements filed as exhibits to the Registration Statement relating to the acquisition, financing or management of each property identified under the caption "OUR BUSINESS–Our Current Portfolio" in the Prospectus (the "**Acquired Properties**") has been duly authorized, executed and delivered by the Company and/or the Operating Partnership, and is a valid and binding agreement, enforceable against the Company and/or the Operating Partnership (as applicable) in accordance with its terms, and neither of the Transaction Entities has any reason to believe that any of the aforementioned agreements have not been duly and validly authorized by all other parties thereto; and (iii) the employment agreements between the Company and David Sobelman and the Company and Richard Russell, as described in the Registration Statement, the General Disclosure Package and the Prospectus and filed as exhibits to the Registration Statement, have been duly authorized, executed and delivered by the Company (and, to the knowledge of Transaction Entities, by Messrs. Sobelman and Russell) and constitute a valid and binding agreement of the Company, enforceable against the Company (and, to the knowledge of Transaction Entities, against Messrs. Sobelman and Russell) in accordance with its terms; except in the case of each agreement described in this paragraph 2(n), as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws relating to or affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity and, with respect to equitable relief, the discretion of the court before which any proceeding therefor may be brought (regardless of whether enforcement is sought in a proceeding at law or in equity), and with respect to indemnification thereunder, except as rights may be limited by applicable law or policies underlying such law.

(o) The Shares to be purchased by the Underwriters have been duly authorized for issuance and sale to the Underwriters or their nominees pursuant to this Agreement, and when the Shares have been issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth herein, the Shares will be validly issued and fully paid and non-assessable; and the issuance of the Shares is not subject to the preemptive or other similar rights of any securityholder of the Company. The Warrant Shares have been duly authorized for issuance and, upon exercise of the Warrants in accordance with their terms, the Warrant Shares will be validly issued and fully paid and non-assessable. The Representative's Warrant Shares have been duly authorized for issuance and, upon exercise of the Representative's Warrant in accordance with the Representative's Warrant Agreement, the Representative's Warrant Shares will be validly issued and fully paid and non-assessable. The Common Stock and Warrants conform in all material respects to all statements relating thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus and such description conforms in all material respects to the rights set forth in the instruments defining the same; and no holder of the Shares, Warrant Shares or Representative's Warrant Shares will be subject to personal liability solely by reason of being such a holder. The certificates, if any, to be used to evidence the Shares will, at the Closing Date, be in due and proper form and will comply in all material respects with all applicable legal requirements, the requirements of the charter and bylaws of the Company and the requirements of the Nasdaq Capital Market.

(p) Each of the Transaction Entities and each of their Subsidiaries, if any, has all requisite corporate power and authority, and all necessary authorizations, approvals, consents, orders, licenses, certificates and permits of and from all governmental or regulatory bodies or any other person or entity (collectively, the "**Permits**"), to own, lease and license its assets and properties (including the Acquired Properties) and conduct its business, all of which are valid and in full force and effect, except where the lack of such Permits, individually or in the aggregate, would not have a Material Adverse Effect. Each of the Transaction Entities and each of their Subsidiaries, if any, have fulfilled and performed in all material respects all of their respective obligations with respect to such Permits and no event has occurred that allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other material impairment of the rights of such entity thereunder. Except as may be required under the Securities Act, state and foreign Blue Sky laws and the rules of the Financial Industry Regulatory Authority ("**FINRA**"), no other Permits are required to enter into, deliver and perform the obligations of the Transaction Entities under this Agreement or the Representative's Warrant Agreement and for the Company to issue and sell the Securities.

(q) Each of the Transaction Entities and each of their Subsidiaries owns or possesses legally enforceable rights to use all patents, patent rights, inventions, trademarks, trademark applications, trade names, service marks, copyrights, copyright applications, licenses, know-how and other similar rights and proprietary knowledge (collectively, "**Intangibles**") necessary for the conduct of its business. Neither of the Transaction Entities nor any Subsidiary has received any notice of, or is not aware of, any infringement of or conflict with asserted rights of others with respect to any Intangibles.

(r) (i) The Operating Partnership or a Subsidiary thereof has good and marketable title (fee or, in the case of ground leases and as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, leasehold) to each of the Acquired Properties, free and clear of all mortgages, pledges, liens, claims, security interests, restrictions or encumbrances of any kind, except such as (1) are described in the Registration Statement, the General Disclosure Package and the Prospectus or (2) do not, singly or in the aggregate, materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Transaction Entities or any of their Subsidiaries; (ii) neither the Transaction Entities nor any of their Subsidiaries owns any real property other than the properties described in the Registration Statement, the General Disclosure Package and the Prospectus; (iii) each of the ground leases and subleases of real property, if any, material to the business of the Transaction Entities and their Subsidiaries, and under which the Transaction Entities or any of their Subsidiaries holds properties described in the Registration Statement, the General Disclosure Package and the Prospectus, is in full force and effect,

with such exceptions as are not material and do not materially interfere with the use made or proposed to be made of such real property by either of the Transaction Entities or any of their Subsidiaries, and neither of the Transaction Entities nor any of their Subsidiaries has any notice of any material claim of any sort that has been asserted by any ground lessor or sublessor under a ground lease or sublease threatening the rights of the Transaction Entities or any of their Subsidiaries to the continued possession of the leased or subleased premises under any such ground lease or sublease; (iv) all liens, charges, encumbrances, claims or restrictions on any property owned by one of the Subsidiaries (each a "**Property**" and together, the " **Properties**") and the assets of a Transaction Entity or any of their Subsidiaries that are required to be disclosed in the Registration Statement, the General Disclosure Package or the Prospectus are disclosed therein; (v) except for Walgreen Co. with respect to the Cocoa Property, no tenant under any of the leases at the Properties has a right of first refusal to purchase the premises demised under such lease; (vi) each of the Properties complies with all applicable codes, laws and regulations (including, without limitation, building and zoning codes, laws and regulations and laws relating to access to the Properties), except for such failures to comply that would not, singly or in the aggregate, reasonably be expected to materially affect the use or value of any of the Properties; (vii) no Transaction Entity has knowledge of any pending or threatened condemnation proceedings, zoning change or other proceeding or action that will materially affect the use or value of any of the Properties; and (viii) the mortgages and deeds of trust that encumber the Properties are not convertible into equity securities of the entity owning such Property and said mortgages and deeds of trust are not cross-defaulted or cross-collateralized with any property other than other Properties.

(s) (i) There are no contracts, letters of intent, term sheets, agreements, arrangements or understandings with respect to the direct or indirect acquisition or disposition by any of the Company or its subsidiaries of interests in assets or real property that are required to be described in the Registration Statement, the General Disclosure Package and the Prospectus that are not so described; and (ii) neither the Company nor any of its subsidiaries has sold any real property to a third party during the immediately preceding 12 calendar months.

(t) Title insurance in favor of the Company, the Operating Partnership and the Subsidiaries has been obtained with respect to each property owned by any such entity, except where the failure to maintain such title insurance would not have a Material Adverse Effect.

(u) The Company has provided to the Representative true and complete copies of all indentures, credit agreements, mortgages, deeds of trust, guaranties, side letters, and other documents evidencing, securing or otherwise relating to any secured or unsecured indebtedness of the Company or any of its subsidiaries (collectively, the "**Loan Documents**"), and none of the Company and its subsidiaries that is party to any of the Loan Documents is in default thereunder, nor has an event occurred which with the passage of time or the giving of notice, or both, would become a default by any of them under any of the Loan Documents, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, none of the properties owned by the Company or its subsidiaries is encumbered by any credit agreements, mortgages, deeds of trust, guaranties, side letters, and other documents evidencing, securing or otherwise relating to any secured or unsecured indebtedness of the Company or any of its subsidiaries.

(v) To the knowledge of the Transaction Entities, water, stormwater, sanitary sewer, electricity, telephone and high-speed broadband internet service are all available at the property lines of each Property over duly dedicated streets or perpetual easements of record benefiting the applicable Property.

(w) Each of the Company and its Subsidiaries have good and marketable title to all of its assets and personal property owned by it, free and clear of all liens, encumbrances and defects, except such as are described in the Registration Statement, the General Disclosure Package and the Prospectus or such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to

be made of such property by the Company and its Subsidiaries; and all assets and personal property held under lease by the Company and its Subsidiaries are held by it under valid, subsisting and enforceable leases, with such exceptions as do not materially interfere with the use made and proposed to be made of such assets by the Company and its Subsidiaries and the Company does not have notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company and its Subsidiaries under any such leases or affecting or questioning the rights of the Company and its Subsidiaries to be in the continued possession of the leased premises under such leases.

(x) Subsequent to the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus: (i) there has not been any event which would reasonably be expected to result in a Material Adverse Effect; (ii) neither of the Transaction Entities nor any of their Subsidiaries has sustained any loss or interference with its assets, businesses or properties (whether owned or leased) from fire, explosion, earthquake, flood, pandemic or other calamity, whether or not covered by insurance, or from any labor dispute or any court or legislative or other governmental action, order or decree which would reasonably be expected to materially affect the use or value of any of the Properties. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, since the date of the latest balance sheet included in the Registration Statement, the General Disclosure Package and the Prospectus, neither of the Transaction Entities nor any of their Subsidiaries has (A) issued any securities or incurred any liability or obligation, direct or contingent, for borrowed money, except such liabilities or obligations incurred in the ordinary course of business, (B) entered into any transaction not in the ordinary course of business or (C) declared or paid any dividend or made any distribution on any shares of its stock or redeemed, purchased or otherwise acquired or agreed to redeem, purchase or otherwise acquire any shares of its capital stock.

(y) There is no document, contract or other agreement required to be described in the Registration Statement, the General Disclosure Package or the Prospectus or to be filed as an exhibit to the Registration Statement which is not described or filed as required by the Securities Act or Rules. Each description of a contract, document or other agreement in the Registration Statement, the General Disclosure Package or the Prospectus accurately reflects in all material respects the terms of the underlying contract, document or other agreement. Each contract, document or other agreement described in the Registration Statement, the General Disclosure Package or the Prospectus or filed as exhibits to the Registration Statement is, or upon consummation of the Offering will be, in full force and effect and is valid and enforceable in all material respects by and against the Transaction Entities or any of their Subsidiaries, as the case may be, in accordance with its terms, except (i) such contracts or other agreements that have terminated or expired in accordance with their terms as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, and (ii) as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws relating to or affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity and, with respect to equitable relief, the discretion of the court before which any proceeding therefor may be brought (regardless of whether enforcement is sought in a proceeding at law or in equity), and with respect to indemnification thereunder, except as rights may be limited by applicable law or policies underlying such law. To the knowledge of the Transaction Entities, neither of the Transaction Entities nor any of their Subsidiaries, is in default in the observance or performance of any term or obligation to be performed by it under any such agreement, and no event has occurred which with notice or lapse of time or both would constitute such a default, in any such case which default or event, individually or in the aggregate, would reasonably be expected to materially affect the use or value of any of the Properties. No default exists, and no event has occurred which with notice or lapse of time or both would constitute a default, in the due performance and observance of any term, covenant or condition, by the Transaction Entities or any of their Subsidiaries, if a Subsidiary is a party thereto, of any other agreement or instrument to which it is a party or by which it or its properties or business may be bound or affected which default or event, individually or in the aggregate, would reasonably be expected to materially affect the use or value of its properties or business.

(z) The statistical and market related data included in the Registration Statement, the General Disclosure Package or the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate. The Company had a reasonable basis for, and made in good faith, each "forward-looking statement" (within the meaning of Section 27A of the Act or Section 21E of the Exchange Act) contained or incorporated by reference in the Registration Statement, the General Disclosure Package, the Prospectus or the Marketing Materials.

(aa) Neither of the Transaction Entities nor any of their Subsidiaries (i) is in violation of its certificate or articles of incorporation, bylaws, certificate of limited partnership, agreement of limited partnership, certificate of formation, operating agreement or other organizational documents, (ii) is in default under, and no event has occurred which, with notice or lapse of time, or both, would constitute a default under, or result in the creation or imposition of any lien, charge, mortgage, pledge, security interest, claim, limitation on voting rights, equity, trust or other encumbrance, preferential arrangement, defect or restriction of any kind whatsoever, upon, any property or assets of the Transaction Entities or any of their Subsidiaries pursuant to, any bond, debenture, note, indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject or (iii) is in violation of any statute, law, rule, regulation, ordinance, directive, judgment, decree or order of any judicial, regulatory or other legal or governmental agency or body, foreign or domestic, except (in the case of clauses (ii) and (iii) above) for violations or defaults that could not (individually or in the aggregate) reasonably be expected to materially affect the use or value of the business or property of a Transaction Entity or Subsidiary.

(bb) Neither the execution, delivery and performance of this Agreement by the Transaction Entities nor the consummation of any of the transactions contemplated hereby (including, without limitation, the issuance and sale by the Company of the Securities) will give rise to a right to terminate or accelerate the due date of any payment due under, or conflict with or result in the breach of any term or provision of, or constitute a default (or an event which with notice or lapse of time or both would constitute a default) under, or require any consent or waiver under, or result in the execution or imposition of any lien, charge or encumbrance upon any properties or assets of the Transaction Entities or any of their Subsidiaries pursuant to the terms of: (i) any indenture, mortgage, deed of trust or other agreement or instrument to which either of the Transaction Entities or any of their Subsidiaries is a party or by which either of the Transaction Entities or any of their Subsidiaries or any of their properties or businesses is bound, or any franchise, license, permit, judgment, decree, order, statute, rule or regulation applicable to either of the Transaction Entities or any of their Subsidiaries, or (ii) violate any provision of certificate or articles of incorporation, bylaws, certificate of limited partnership, agreement of limited partnership, certificate of formation, operating agreement or other organizational documents of either of the Transaction Entities or any of their Subsidiaries, except (A) in the case of clause (i) above, for violations or defaults that would not, individually or in the aggregate, reasonably be expected to materially affect the use or value of any of the Properties, and (B) for such consents or waivers which have already been obtained and are in full force and effect.

(cc) Except as otherwise set forth in the Registration Statement, the General Disclosure Package and the Prospectus, no holder of any security of the Company has any right, which has not been waived or satisfied prior to the date hereof, to have any security owned by such holder included in the Registration Statement or to demand registration of any security owned by such holder for a period of 180 days after the date of this Agreement. Each director and executive officer of the Company and each stockholder of the Company listed on **Schedule 2(cc)** hereto has delivered to the Representative his, her or its enforceable written lock-up agreement in the form attached to this Agreement as **Exhibit A** hereto ("**Lock-Up Agreement**").

(dd) There are no legal or governmental proceedings pending to which either of the Transaction Entities or any of their Subsidiaries is a party or of which any property of the Transaction Entities or any of their Subsidiaries is the subject which, if determined adversely to it could individually or in the aggregate have a Material Adverse Effect; and, to the knowledge of the Transaction Entities, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(ee) Neither of the Transaction Entities or any of their Subsidiaries is involved in any labor dispute nor, to the knowledge of the Transaction Entities, is any such dispute threatened, which dispute would reasonably be expected to result in a Material Adverse Effect. Neither of the Transaction Entities is aware of any existing or imminent labor disturbance by the employees of any of its or its Subsidiaries principal suppliers or contractors which would reasonably be expected to result in a Material Adverse Effect. Neither of the Transaction Entities is aware of any threatened or pending litigation between either of the Transaction Entities or any of their Subsidiaries and any of its executive officers which, if adversely determined, could have a Material Adverse Effect and has no reason to believe that such officers will not remain in the employment of the Transaction Entities or their Subsidiaries, as the case may be.

(ff) No consent, approval, authorization, license or order of, or filing or registration of or with, any governmental entity is necessary or required for the execution, delivery and performance by the Company or any Subsidiary of its obligations hereunder, in connection with the offering, issuance and sale of the Securities hereunder, or its consummation of the transactions contemplated by the Transaction Documents or the Registration Statement, the General Disclosure Package and the Prospectus, or the application of the proceeds from the sale of the Units as described under "Use of Proceeds" in the Registration Statement, General Disclosure Package and Prospectus, except such as have been obtained or made and except for such as have been obtained or as may be required under the Securities Act, the Nasdaq Stock Market Listing Rules, applicable state or foreign securities laws or the rules of FINRA.

(gg) No transaction has occurred between or among either of the Transaction Entities, the Subsidiaries and any of their officers or directors, or five percent stockholders or any affiliate or affiliates of any such officer or director or five percent stockholders that is required to be described in and is not described in the Registration Statement, the General Disclosure Package and the Prospectus.

(hh) Neither of the Transaction Entities nor any of their Subsidiaries has taken, nor will it take, directly or indirectly, any action designed to or which might reasonably be expected to cause or result in, or which has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock or any other security of the Company to facilitate the sale or resale of any of the Securities.

(ii) The Transaction Entities and their Subsidiaries have filed all material federal, state, local and foreign tax returns which are required to be filed through the date hereof, which returns are true and correct in all material respects, or have received timely extensions thereof, and have paid all taxes shown on such returns and all assessments received by them to the extent that the same are material and have become due. There are no tax audits or investigations pending, which if adversely determined, would reasonably be expected to result in a Material Adverse Effect; nor are there any material proposed additional tax assessments against either of the Transaction Entities or their Subsidiaries.

(jj) Prior to the Firm Closing Date, the Common Stock and Warrants shall have been duly authorized for listing on the Nasdaq Capital Market. The Company has filed with the Commission on Form 8-A (File No. [___]) to register the Common Stock under Section 12(b) of the Exchange Act. The registration of the Common Stock and Warrants under the Exchange Act has been declared effective by the Commission prior to or as of the date hereof.

(kk) The books, records and accounts of the Transaction Entities and their Subsidiaries accurately and fairly reflect, in all material respects, the transactions in, and dispositions of, the assets of, and the results of operations of, the Transaction Entities and their Subsidiaries. The Transaction Entities and their Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(ll) Neither of the Transaction Entities is aware of (i) except as described in the General Disclosure Package and the Prospectus, any material weakness or significant deficiency in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in internal controls; or (ii) any fraud, whether or not material, that involves management or other employees who have a role in the Company's internal controls.

(mm) Except as described in the General Disclosure Package and the Prospectus and as preapproved in accordance with the requirements set forth in Section 10A of the Exchange Act, the Auditor has not been engaged by the Company to perform any "prohibited activities" (as defined in Section 10A of the Exchange Act).

(nn) Except as described in the General Disclosure Package and the Prospectus, there are no material off-balance sheet arrangements (as defined in Item 303 of Regulation S-K) that have or are reasonably likely to have a material current or future effect on the Company's financial condition, revenues or expenses, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources.

(oo) No relationship, direct or indirect, exists between or among the Company or its Subsidiaries, on the one hand, and the directors, officers, stockholders, or customers of the Company, on the other hand, that is required to be described in the Registration Statement, the General Disclosure Package and the Prospectus which is not so described. The Company has not, directly or indirectly, including through any Subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any executive officer of the Company or the Operating Partnership, or to or for any family member or affiliate of any director or executive officer of the Company or the Operating Partnership.

(pp) With such exceptions as would not, individually or in the aggregate, have a Material Adverse Effect: (A) there has been no security breach or incident, unauthorized access or disclosure, or other compromise of or relating to the Company's or any of its Subsidiaries' information technology and computer systems, networks, hardware, software, data and databases (including the data and information of their respective tenants, customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company or any of its Subsidiaries, and any such data processed or stored by third parties on behalf of the Company or any of its Subsidiaries), equipment or technology (collectively, "IT Systems and Data"); (B) neither the Company nor any of its Subsidiaries has been notified of, and have no knowledge of any event or condition that would result in, any security breach or incident, unauthorized access or disclosure or other compromise to their IT Systems and Data; and (C) the Company and its Subsidiaries have implemented appropriate controls, policies, procedures and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards. The Company and its Subsidiaries are presently in material compliance with all applicable laws and statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification.

(qq) The Board of Directors of the Company (the "Board of Directors") has validly established an audit committee whose composition satisfies, and upon completion of the Offering will satisfy, the requirements of Rule 5605(c)(2) of the Nasdaq Stock Market Listing Rules and the Board of Directors and/or the audit committee of the Board of Directors has adopted a charter that satisfies the requirements of Rule 5605(c)(1) of the Nasdaq Stock Market Listing Rules.

(rr) The Board of Directors has validly established a compensation committee whose composition satisfies, and upon completion of the Offering will satisfy, the requirements of Rule 5605(d)(2) of the Nasdaq Stock Market Listing Rules and the Board of Directors and/or the compensation committee of the Board of Directors has adopted a charter that satisfies the requirements of Rule 5605(d)(1) of the Nasdaq Stock Market Listing Rules.

(ss) The Company has taken all necessary actions to ensure that, at the time of effectiveness of the Registration Statement, it will be in compliance in all material respects with all provisions of the Sarbanes-Oxley Act of 2002 and all rules and regulations promulgated thereunder (the "**Sarbanes-Oxley Act**") with which the Company is required to comply. The Company has not, directly or indirectly, including through any Subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any executive officer of the Company or the Operating Partnership, or to or for any family member or affiliate of any director or executive officer of the Company or the Operating Partnership.

(tt) The Transaction Entities and their Subsidiaries and the Acquired Properties (or Subsidiary thereof, if any) carry or are entitled to the benefits of insurance, with financially sound and reputable insurers, in such amounts and covering such risks as the Company believes is generally maintained by companies of established repute engaged in the same or similar business, and all such insurance is in full force and effect. Neither of the Transaction Entities has any reason to believe that it or any of their Subsidiaries will not be able (A) to renew, if desired, its existing insurance coverage as and when such policies expire or (B) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that is not materially more significant. Neither of the Transaction Entities nor any of their Subsidiaries nor any Acquired Property (or Subsidiary thereof) has been denied any insurance coverage that it has sought or for which it has applied. The Transaction Entities, directly or indirectly, have obtained title insurance on the fee or leasehold interests, as the case may be, in each of the Properties, in an amount equal to no less than 80% of the purchase price of each such Property.

(uu) Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, the Company has no arrangements or understandings for services in the nature of a finder's, consulting or origination fee with respect to the introduction of the Company to the Underwriters or the sale of the Units hereunder that may affect the Underwriters' compensation, as determined by the FINRA.

(vv) Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, neither of the Transaction Entities has made any direct or indirect payments (in cash, securities or otherwise) to: (i) any person, as a finder's fee, investing fee or otherwise, in consideration of such person raising capital for the Company or introducing to the Company persons who provided capital to the Company, (ii) any FINRA member, or (iii) any person or entity that, to the Company's knowledge, has any direct or indirect affiliation or association with any FINRA member within the 12-month period prior to the date on which the Registration Statement was filed with the Commission ('**Filing Date**") or thereafter.

(ww) None of the net proceeds of the Offering will be paid by the Company to any participating FINRA member or any affiliate or associate of any participating FINRA member, except as specifically authorized herein.

(xx) To the knowledge of the Transaction Entities, no: (i) officer or director of the Transaction Entities or their Subsidiaries, (ii) owner of 5% or more of the Company's unregistered securities or that of its Subsidiaries or (iii) owner of any amount of the Company's unregistered securities acquired within the 180-day period prior to the Filing Date, has any direct or indirect affiliation or association with any FINRA member. The Transaction Entities will advise the Representative and its counsel if it becomes aware that any officer, director or stockholder of the Company or its Subsidiaries is or becomes an affiliate or associated person of a FINRA member participating in the Offering.

(yy) Other than the Underwriters, no person has the right to act as an underwriter or as a financial advisor to the Company in connection with the transactions contemplated hereby.

(zz) No payment has been made by the Company or its subsidiaries, or by any person authorized to act on their behalf, to any person in connection with any contracts with any governmental entity or regulatory agency ("**Government Contracts**"), in violation of applicable procurement laws or regulations. The Transaction Entities and their Subsidiaries' cost accounting and procurement systems with respect to Government Contracts are in compliance in all material respects with all applicable governmental regulations and requirements. With respect to each Government Contract: (i) the Transaction Entities and their Subsidiaries have complied with all material terms and conditions of such Government Contract, including all clauses, provisions and requirements incorporated expressly, by reference or by operation of law therein; (ii) the Transaction Entities and their Subsidiaries have complied with all material requirements of applicable laws pertaining to such Government Contract; (iii) all representations and certifications executed, acknowledged or set forth in or pertaining to such Government Contract were complete and correct in all material respects as of their effective date, and the Transaction Entities and their Subsidiaries have complied in all material respects with all such representations and certifications; (iv) neither the United States government nor any prime contractor, subcontractor or other person has notified the Transaction Entities or their Subsidiaries, either orally or in writing, that the entity has breached or violated any applicable law, or any material certification, representation, clause, provision or requirement pertaining to such Government Contract; and (v) no termination for convenience, termination for default, cure notice or show cause notice is in effect as of the date hereof pertaining to any Government Contract. Neither of the Transaction Entities, their Subsidiaries, nor to the Company's knowledge, any of their respective directors, officers or employees is (or during the last three years has been) under administrative, civil or criminal investigation, or indictment or audit by any governmental authority with respect to any alleged irregularity, misstatement or omission arising under or relating to any Government Contract (other than routine Defense Contract Audit Agency audits, in which no such irregularities, misstatements or omissions were identified). During the last three years, neither the Transaction Entities nor any of their Subsidiaries has conducted or initiated any internal investigation or made a voluntary disclosure to the United States government, with respect to any alleged irregularity, misstatement or omission arising under or relating to any Government Contract. There are no outstanding claims against the Transaction Entities or their Subsidiaries, either by the United States government or by any prime contractor, subcontractor, vendor or other third party, arising under or relating to any Government Contract. There are no disputes between the Transaction Entities or their Subsidiaries and the United States government under the Contract Disputes Act or any other statute or between the Company or any subsidiary and any prime contractor, subcontractor or vendor arising under or relating to any Government Contract. Neither of the Transaction Entities, their Subsidiaries, nor, to the Company's knowledge, any of their or the Subsidiary's directors, officers or employees is (or during the last three years has been) suspended or debarred from doing business with the United States government or is (or during such period was) the subject of a finding of non-responsibility or ineligibility for United States government contracting. There is no suit or investigation pending and, to the Company's knowledge, no suit or investigation threatened against the Company or any subsidiary with respect to any Government Contract.

(aaa) Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus: (i) each of the Transaction Entities and each of their Subsidiaries, if any, is in compliance in all material respects with all rules, laws and regulation relating to the use, treatment, storage and disposal of toxic substances and protection of health or the environment ("**Environmental Laws**") which are applicable to its properties and business; (ii) neither of the Transaction Entities or their Subsidiaries has received any notice from any governmental authority or third party of an asserted claim under Environmental Laws; (iii) each of Transaction Entities and their Subsidiaries has received all material permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and is in compliance in all material respects with all terms and conditions of any such permit, license or approval; (iv) to the knowledge of the Transaction Entities, no facts currently exist that will require either of the Transaction Entities or their Subsidiaries to make future material capital expenditures to comply with Environmental Laws; and (v) no property which is or has been owned, leased or occupied by either of the Transaction Entities or their Subsidiaries has been designated as a Superfund site pursuant to the Comprehensive Environmental Response, Compensation of Liability Act of 1980, as amended (42 U.S.C. Section 9601, et. seq.) ("**CERCLA**"), or otherwise designated as a contaminated site under applicable state or local law. Neither of the Transaction Entities nor their Subsidiaries has been named as a "potentially responsible party" under CERCLA.

(bbb) Neither of the Transaction Entities expects to be a Passive Foreign Investment Company ("**PFIC**") within the meaning of Section 1297(a) of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), and the regulations and published interpretations thereunder for the year ending December 31, 2021, and has no plan or intention to conduct its business in a manner that would be reasonably expected to result in either of the Transaction Entities becoming a PFIC in the future under current laws and regulations.

(ccc) Neither of the Transaction Entities is and, after giving effect to the Offering, the sale of the Units and the application of proceeds thereof as described in the General Disclosure Package and the Prospectus, will be, required, to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

(ddd) Neither of the Transaction Entities nor any other person acting on behalf of the Transaction Entities including, without limitation, any director, officer, agent or employee of the Transaction Entities or their Subsidiaries, has, directly or indirectly, while acting on behalf of the Transaction Entities or their Subsidiaries: (i) used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (ii) made any unlawful payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any other unlawful payment.

(eee) The operations of the Transaction Entities and their Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Transaction Entities and their Subsidiaries with respect to the Money Laundering Laws is pending, or to the knowledge of the Transaction Entities, threatened.

(fff) Neither of the Transaction Entities nor their Subsidiaries, nor, to the knowledge of the Transaction Entities, any director, officer, agent, employee or affiliate of the Transaction Entities or their Subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and neither of the Transaction Entities will directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to its Subsidiaries or any joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(ggg) Neither of the Transaction Entities, nor to the knowledge of the Transaction Entities, any of their directors or officers or any agent, employee, affiliate or other person acting on behalf of the Transaction Entities, has engaged in any activities sanctionable under the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, the Iran Sanctions Act of 1996, the National Defense Authorization Act for Fiscal Year 2012, the Iran Threat Reduction and Syria Human Rights Act of 2012 or any Executive Order relating to any of the foregoing (collectively, and as each may be amended from time to time, the "**Iran Sanctions**"); and the Company will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of engaging in any activities sanctionable under the Iran Sanctions.

(hhh) Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, the Company has not sold or issued any shares of Common Stock during the six-month period preceding the date of the Prospectus, including any sales pursuant to Rule 144A under, or Regulations D or S of, the Securities Act, other than shares issued pursuant to employee benefit plans, qualified stock options plans or other employee compensation plans or pursuant to outstanding options, rights or warrants. Neither the Company nor the Operating Partnership has sold or issued any securities that would be integrated with the sale of the Units pursuant to the Registration Statement pursuant to the Securities Act, the Rules or the interpretations thereof by the Commission.

(iii) The Transaction Entities fulfilled their obligations, if any, under the minimum funding standards of Section 302 of the U.S. Employee Retirement Income Security Act of 1974 ("**ERISA**") and the regulations and published interpretations thereunder with respect to each "plan" as defined in Section 3(3) of ERISA and such regulations and published interpretations in which its employees are eligible to participate and each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and such regulations and published interpretations. No "Reportable Event" (as defined in ERISA) has occurred with respect to any "Pension Plan" (as defined in ERISA) for which the Company could have any liability.

(jjj) The statements in (i) the Registration Statement, the General Disclosure Package and the Prospectus under the headings "Offering Summary—Restrictions on Ownership of Our Stock," "Prospectus Summary—Distribution Policy," "Prospectus Summary—REIT Status," "Description of Shares," "Description of Warrants," "Our Operating Partnership and the Partnership Agreement," "Material Federal Income Tax Considerations," "ERISA Considerations" and "Underwriting" (other than the Underwriter Information) and (ii) the Company's Annual Report on Form 1-K for the fiscal year ended December 31, 2020, under the headings "Compensation of Executive Officers," "Employment Contracts, Termination of Employment, Change-In-Control Arrangements," "Director Compensation," "Conflicts of Interest" and "Interest of Management and Others in Certain Transactions" insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings in all material respects.

(kkk) The Company is organized to conform with the requirements for qualification and taxation as a real estate investment trust ("**REIT**") under the Code, and the Company's proposed method of operation will enable it to qualify for taxation as a REIT under the Code for the calendar year ending December 31, 2021. All statements regarding the Company's qualification and taxation as a REIT and descriptions of the Company's organization and proposed method of operation (inasmuch as they relate to the ability of the Company to qualify for taxation as a REIT under the Code) set forth in the Registration Statement, the General Disclosure Package and the Prospectus are accurate and fair summaries of the legal or tax matters described therein in all material respects.

(lll) Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, the Operating Partnership is not currently prohibited, directly or indirectly, from paying any distributions to the Company to the extent permitted by applicable law, from making any other distribution on the Operating Partnership's partnership interest, or from repaying the Company for any loans or advances made by the Company to the Operating Partnership.

(mmm) Since the date of the preliminary prospectus included in the Registration Statement filed with the Commission on December 26, 2019 (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication (as defined herein)) through the date hereof, the Company has been and is an "**emerging growth company**," as defined in Section 2(a) of the Securities Act (an "**Emerging Growth Company**").

(nnn) The Company: (i) has not, without the knowledge of the Representative, engaged in anyTesting-the-Waters Communication or distributed any offering material in connection with the Offering and the sale of the Units, other than Testing-the-Waters Communications with the consent of the Representative with entities that are qualified institutional buyers within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501 under the Securities Act and (ii) has not authorized anyone other than the Representative to engage in Testing-the-Waters Communications. The Company reconfirms that the Representative has been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed any Written Testing-the-Waters Communications, other than those listed on **Schedule 2(b)** hereto. "**Written Testing-the-Waters Communication**" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act.

(ooo) Any certificate signed by any officer of the Company and delivered to the Representative or counsel for the Underwriters in connection with the Offering shall be deemed a representation and warranty by the Company and the Operating Partnership, as to matters covered thereby, to each Underwriter.

3. **Conditions of the Underwriters' Obligations**. The obligations of the Underwriters under this Agreement are several and not joint. The respective obligations of the Underwriters to purchase the Units are subject to each of the following terms and conditions:

(a) Notification that the Registration Statement has become effective shall have been received by the Representative and the Prospectus shall have been timely filed with the Commission in accordance with Section 4(a)(i) of this Agreement and any material required to be filed by the Company pursuant to Rule 433(d) of the Rules shall have been timely filed with the Commission in accordance with such rule. No prospectus or amendment or supplement to the Registration Statement, the Prospectus, any Preliminary Prospectus, or any Issuer Free Writing Prospectus shall be filed to which the Underwriters shall have reasonably objected in writing.

(b) No order preventing or suspending the use of any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus shall have been or shall be in effect and no order suspending the effectiveness of the Registration Statement shall be in effect and no proceedings for such purpose shall be pending before or threatened by the Commission, and any requests for additional information on the part of the Commission (to be included in the Registration Statement or the Prospectus or otherwise) shall have been

complied with to the satisfaction of the Commission and the Representative. If the Company has elected to rely upon Rule 430A, Rule 430A information previously omitted from the effective Registration Statement pursuant to Rule 430A shall have been transmitted to the Commission for filing pursuant to Rule 424(b) within the prescribed time period and the Company shall have provided evidence satisfactory to the Underwriters of such timely filing, or a post-effective amendment providing such information shall have been promptly filed and declared effective in accordance with the requirements of Rule 430A.

(c) The representations and warranties of the Company contained in this Agreement and in the certificates delivered pursuant to Section 3(d) shall be true and correct when made and on and as of each Closing Date as if made on such date. The Company shall have performed in all material respects all covenants and agreements and satisfied all the conditions contained in this Agreement required to be performed or satisfied by it at or before such Closing Date.

(d) The Representative shall have received on each Closing Date a certificate, addressed to the Representative and dated such Closing Date, of the chief executive officer and the chief financial officer or chief accounting officer of the Company to the effect that: (i) the representations, warranties and agreements of the Company in this Agreement were true and correct when made and are true and correct as of such Closing Date; (ii) the Company has performed in all material respects all covenants and agreements and satisfied all conditions contained herein; (iii) they have carefully examined the Registration Statement, the Prospectus, the General Disclosure Package, and any individual Issuer Free Writing Prospectus and, in their opinion (A) as of the Effective Date, the Registration Statement and Prospectus did not include, and as of the Applicable Time, neither (i) the General Disclosure Package, nor (ii) any individual Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included, any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (B) since the Effective Date no event has occurred which should have been set forth in a supplement or otherwise required an amendment to the Registration Statement, the General Disclosure Package or the Prospectus; (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and, to their knowledge, no proceedings for that purpose have been instituted or are pending under the Securities Act; and (v) there has not occurred any material adverse change in the assets, properties, condition, financial or otherwise, or in the results of operations, business affairs or business prospects (as described in the Registration Statement, the General Disclosure Package and the Prospectus) of the Transaction Entities and their Subsidiaries considered as a whole.

(e) The Representative shall have received: (i) simultaneously with the execution of this Agreement a signed letter from the Auditor addressed to the Representative and dated the date of this Agreement, in form and substance reasonably satisfactory to the Representative, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Disclosure Package, and (ii) on each Closing Date, a signed letter from the Auditor addressed to the Representative and dated the date of such Closing Date, in form and substance reasonably satisfactory to the Representative containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus.

(f) On each Closing Date, the Representative shall have received the favorable opinion, dated as of such Closing Date, of outside legal counsel to the Company in form and substance reasonably satisfactory to counsel for the Underwriters.

(g) On each Closing Date, the Representative shall have received the favorable tax opinion, dated as of such Closing Date, of tax counsel to the Company in form and substance reasonably satisfactory to counsel for the Underwriters.

(h) On each Closing Date, there shall have been furnished to the Representative the negative assurance letter of Harter Secrest & Emery LLP, counsel to the Representative, dated such Closing Date, as applicable, and addressed to the Representative, in form and substance reasonably satisfactory to the Representative.

(i) On each Closing Date, the Company shall deliver Representative's Warrants to the Representative or its designees pursuant to Section 1(c) in the name or names and in such authorized denominations as the Representative may request.

(j) All proceedings taken in connection with the sale of the Firm Units and the Option Securities as herein contemplated shall be reasonably satisfactory in form and substance to the Representative and their counsel.

(k) The Representative shall have received copies of the Lock-up Agreements executed by each entity or person listed on **Schedule 2(cc)** hereto.

(l) The Shares and Warrants shall have been approved for listing on the Nasdaq Capital Market, subject only to official notice of issuance.

(m) Subsequent to the execution and delivery of this Agreement or, if earlier, the dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus: (i) there shall not have been any material change in the capital stock of the Company or any material change in the indebtedness (other than in the ordinary course of business) of the Transaction Entities or Subsidiaries, (ii) except as set forth or contemplated by the Registration Statement, the General Disclosure Package or the Prospectus, no material oral or written agreement or other transaction shall have been entered into by the Transaction Entities that is not in the ordinary course of business or that could reasonably be expected to result in a material reduction in the future earnings of the Transaction Entities, (iii) no loss or damage (whether or not insured) to the property of the Transaction Entities shall have been sustained that had or could reasonably be expected to have a Material Adverse Effect, (iv) no legal or governmental action, suit or proceeding affecting the Transaction Entities or any of their properties that is material to the Transaction Entities or that affects or could reasonably be expected to affect the transactions contemplated by this Agreement shall have been instituted or threatened and (v) there shall not have been any material change in the assets, properties, condition (financial or otherwise), or in the results of operations, business affairs or business prospects of the Transaction Entities or their Subsidiaries considered as a whole that makes it impractical or inadvisable in the Representative's judgment to proceed with the purchase or offering of the Units as contemplated hereby.

(n) On or prior to the Firm Closing Date, FINRA shall have confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and agreements in connection with the Offering.

(o) The Company shall have furnished or caused to be furnished to the Representative such further customary certificates or documents as the Representative shall have reasonably requested.

(p) On or prior to the Firm Closing Date, the Company shall have entered into the Warrant Agency Agreement.

4. **Covenants and Other Agreements of the Transaction Entities**

(a) The Transaction Entities, jointly and severally, covenant and agree with each Underwriter as follows:

(i) The Company will use its commercially reasonable efforts to cause the Registration Statement, if not effective at the time of execution of this Agreement, and any amendments thereto, to become effective as promptly as possible. The Company shall prepare the Prospectus in a form approved by the Representative and file such Prospectus pursuant to Rule 424(b) under the Securities Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by the Rules. The Company will file with the Commission all Issuer Free Writing Prospectuses in the time and manner required under Rule 433(d).

(ii) The Company shall promptly advise the Representative in writing (A) when any post-effective amendment to the Registration Statement shall have become effective or any supplement to the Prospectus shall have been filed, (B) of any request by the Commission for any amendment of the Registration Statement or the Prospectus or for any additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus or any "free writing prospectus," as defined in Rule 405 of the Rules, or the institution or threatening of any proceeding for that purpose and (D) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. The Company shall not file any amendment of the Registration Statement or supplement to the Prospectus or any Issuer Free Writing Prospectus unless the Company has furnished the Representative a copy for its review prior to filing and shall not file any such proposed amendment or supplement to which the Representative reasonably objects. The Company shall use its best efforts to prevent the issuance of any such stop order and, if issued, to obtain as soon as possible the withdrawal thereof.

(iii) If, at any time when a prospectus relating to the Securities (or, in lieu thereof, the notice referred to in Rule 173(a) of the Rules) is required to be delivered under the Securities Act, any event occurs as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, or if it shall be necessary to amend or supplement the Prospectus to comply with the Securities Act or the Rules, the Company promptly shall prepare and file with the Commission, subject to the second sentence of paragraph (ii) of this Section 4(a), an amendment or supplement which shall correct such statement or omission or an amendment which shall effect such compliance.

(iv) If at any time following issuance of an Issuer Free Writing Prospectus there occurs an event or development as a result of which such Issuer Free Writing Prospectus would conflict with the information contained in the Registration Statement or would include an untrue statement of a material fact or would omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances prevailing at the subsequent time, not misleading, the Company will promptly notify the Representative and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(v) The Company shall make generally available to its security holders and to the Representative as soon as practicable, but not later than 45 days after the end of the 12-month period beginning at the end of the fiscal quarter of the Company during which the Effective Date occurs (or 90 days if such 12-month period coincides with the Company's fiscal year), an earnings statement (which need not be audited) of the Company, covering such12-month period, which shall satisfy the provisions of Section 11(a) of the Securities Act or Rule 158 of the Rules.

(vi) The Company shall furnish to the Representative and counsel for the Underwriters, without charge, signed copies of the Registration Statement (including all exhibits thereto and amendments thereof) and to each other Underwriter a copy of the Registration Statement (without exhibits thereto) and all amendments thereof and, so long as delivery of a prospectus by an Underwriter or dealer may be required by the Securities Act or the Rules, as many copies of any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and any amendments thereof and supplements thereto as the Representative may reasonably request. If applicable, the copies of the Registration Statement, preliminary prospectus, any Issuer Free Writing Prospectus and Prospectus and each amendment and supplement thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(vii) The Company shall cooperate with the Representative and its counsel in endeavoring to qualify the Securities for offer and sale in connection with the Offering under the laws of such jurisdictions as the Representative may designate and shall maintain such qualifications in effect so long as required for the distribution of the Securities; provided, however, that the Company shall not be required in connection therewith, as a condition thereof, to qualify as a foreign corporation or to execute a general consent to service of process in any jurisdiction or subject itself to taxation as doing business in any jurisdiction.

(viii) The Company, during the period when the Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) of the Rules) is required to be delivered under the Securities Act and the Rules or the Exchange Act, will file all reports and other documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the Exchange Act within the time periods required by the Exchange Act and the regulations promulgated thereunder.

(ix) The Company shall, during the term of the Lock-Up Agreements, enforce the terms thereof and impose stop-transfer restrictions on any sale or other transfer or disposition of Company securities until the end of the term of the Lock-Up Agreements.

(x) From the date hereof and until 180 days after Firm Closing Date, or, if later, the final Option Closing Date (the "**Lock-Up Period**"), neither the Company nor any Subsidiary shall issue, enter into any agreement to issue, sell, contract to sell, encumber, grant any option for the sale of or otherwise dispose of, or announce the issuance or distribution of any shares of Common Stock or securities convertible into or exercisable for Common Stock. The foregoing sentence shall not apply to (A) the Securities to be sold hereunder, (B) any shares of Common Stock issued by the Company upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and referred to in the General Disclosure Package and the Prospectus, (C) any shares of Common Stock, limited partnership interests in the Operating Partnership, dividend equivalent rights or other equity-based awards issued, or options to purchase Common Stock granted, pursuant to existing employee benefit plans of the Company referred to in the General Disclosure Package and the Prospectus (including the filing of a registration statement on Form S-8 relating to such existing employee benefit plans of the Company referred to in the General Disclosure Package and the Prospectus) or (D) an Exempted Offering (other than an Exempted Offering described in clause (v) of the definition of Exempted Offering).

(xi) On or before completion of this Offering, the Company shall make all filings required under applicable securities laws and by the Nasdaq Capital Market (including any required registration under the Exchange Act).

(xii) Prior to the Closing Date, the Company will issue no press release or other communications directly or indirectly and hold no press conference with respect to the Company, its condition, financial or otherwise, or its earnings, business affairs or business prospects, or the Offering without the prior written consent of the Representative unless in the judgment of the Company and its counsel, and after notification to the Representative, such press release or communication is required by law.

(xiii) The Transaction Entities will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Shares, Warrants and Warrant Shares.

(xiv) The Company will apply the net proceeds from the Offering in the manner set forth under "Use of Proceeds" in the Prospectus.

(xv) The Company will use commercially reasonable efforts to effect and maintain the listing of the Common Stock and Warrants on the Nasdaq Capital Market.

(xvi) The Company will use commercially reasonable efforts to meet the requirements for qualification and taxation as a REIT under the Code for its taxable year ending December 31, 2021, and the Company will use its commercially reasonable best efforts to qualify for taxation as a REIT under the Code unless the Board of Directors of the Company determines in good faith that it is not in the best interests of the Company and its stockholders to be so qualified.

(xvii) For so long as they are legally required to do so, each of the Transaction Entities will use commercially reasonable efforts to comply in all material respects with all applicable provisions of the Sarbanes-Oxley Act that are in effect.

(xviii) The Company will promptly notify the Representative if the Company ceases to be an Emerging Growth Company at any time prior to the later of: (a) completion of the distribution of the Units within the meaning of the Securities Act and (b) the end of the term of the Lock-Up Agreements.

(xix) If at any time following the distribution of any Written Testing-the-Waters Communication there occurred or occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representative and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

(xx) The Company shall continue to retain the Auditor (or other independent PCAOB registered public accounting firm reasonably acceptable to the Representative) as independent public accountants for the Company for a period of fourteen (14) months following the final Closing Date.

(xxi) The Company shall continue to retain securities counsel reasonably acceptable to the Representative, with Foley & Lardner LLP agreed as being acceptable, for a period of fourteen (14) months following the final Closing Date.

(xxii) Prior to the Firm Closing Date, the Company shall have retained a transfer agent for the Common Stock reasonable acceptable to the Representative, with VStock Transfer, LLC agreed as being acceptable, for a period of fourteen (14) months following the final Closing Date.

(xxiii) Prior to the Firm Closing Date, the Company shall have engaged a financial public relations firm reasonable acceptable to the Representative which firm shall be experienced in assisting issuers in public offerings of securities and in their relations with their securityholders and shall continue to retain such firm for a period of fourteen (14) months after the final Closing Date.

(xxiv) As of the Closing Date, the Company shall have obtained and shall maintain for a period of no less than two years, "key man" life insurance in a minimum amount of $1,000,000 and with the Company as the sole beneficiary thereof with an insurer rated at least AA or better in the most recent edition of "Best's Life Reports" on the life of Mr. David Sobelman.

(b) The Transaction Entities agree to pay, or reimburse if paid by the Representative, whether or not the transactions contemplated hereby are consummated or this Agreement is terminated, all costs and expenses incident to the Offering and the performance of the obligations of the Transaction Entities under this Agreement including those relating to: (i) the preparation, printing, reproduction filing and distribution of the Registration Statement including all exhibits thereto, each Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus, all amendments and supplements thereto, and the printing, filing and distribution of this Agreement; (ii) the preparation and delivery of certificates for the Shares to the Underwriters, if any; (iii) the registration or qualification of the Securities for offer and sale under the securities or Blue Sky laws of the various requisite jurisdictions; (iv) the furnishing (including costs of shipping and mailing) to the Representative and to the Underwriters of copies of each Preliminary Prospectus, the Prospectus and all amendments or supplements to the Prospectus, any Issuer Free Writing Prospectus, and of the several documents required by this Section to be so furnished, as may be reasonably requested for use by the Underwriters or by dealers to whom Units may be sold in connection with the Offering; (v) the filing fees of FINRA in connection with its review of the terms of the Offering; (vi) inclusion of the Shares and Warrants for listing on the Nasdaq Capital Market; and (vii) all transfer taxes, if any, with respect to the sale and delivery of the Units by the Company to the Underwriters. In addition to the foregoing and the fees in Section 1, upon the consummation of the Offering on the Closing Date, the Company shall reimburse the Representative for up to $125,000 of its accountable out-of-pocket expenses incurred for legal fees of Representative's counsel. In the event the Offering is not consummated for any reason, the Company shall reimburse the Representative for up to $30,000 of its accountable out-of-pocket expenses. The Company has provided the Representative (but no other Underwriter) prior to the date hereof, an advance in the amount of $15,000 for its expenses, including legal fees, background search firm fees, and road show expenses, incurred in connection with the Offering (collectively, the "**Advance**"), which shall be subtracted from any fees or expense reimbursements payable to the Representative pursuant hereto. Any unused portion of the Advance shall be returned to the Company upon the earlier of the Closing Date or termination of the Offering.

(c) The Company acknowledges and agrees that each of the Underwriters has acted and is acting solely in the capacity of a principal in an arm's length transaction between the Company and the Underwriters with respect to the offering of Units contemplated hereby (including in connection with determining the terms of the Offering) and not as a financial advisor, agent or fiduciary to the Company or any other person. Additionally, the Company acknowledges and agrees that the Underwriters have not and will not advise the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company has consulted with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company or any other person with respect thereto, whether arising prior to or after the date hereof. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions have been and will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company. The Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary duty to the Company or any other person in connection with any such transaction or the process leading thereto.

(d) The Company represents and agrees that, unless it obtains the prior consent of the Representative, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representative, it has not made and will not make any offer relating to the Units that would constitute an "issuer free writing prospectus," as defined in Rule 433, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping. The Company represents that is has satisfied and agrees that it will satisfy the conditions set forth in Rule 433 of the Rules to avoid a requirement to file with the Commission any Marketing Materials.

5. **Indemnification**.

(a) Each of the Transaction Entities, jointly and severally, agrees to indemnify, defend and hold harmless the Underwriters, their respective affiliates, directors and officers and employees, and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any losses, claims, damages or liabilities to which such Underwriter or such person may become subject, under the Securities Act or otherwise (including in settlement of any litigation if such settlement is effected with the written consent of the Company), insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon: (i) an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, including the information deemed to be a part of the Registration Statement at the time of effectiveness and at any subsequent time pursuant to Rules 430A and 430B of the Rules and Regulations, or arise out of or are based upon the omission from the Registration Statement, or alleged omission to state therein, a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) an untrue statement or alleged untrue statement of a material fact contained in the General Disclosure Package, the Prospectus, or any amendment or supplement thereto (including any documents filed under the Exchange Act and deemed to be incorporated by reference into the Registration Statement or the Prospectus), any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, or the Marketing Materials or in any other materials used in connection with the Offering, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (iii) in whole or in part, any inaccuracy in the representations and warranties of the Transaction Entities contained herein, or (iv) in whole or in part, any failure of the Transaction Entities to perform its obligations hereunder or under applicable law, and will reimburse the Underwriters for its reasonable legal or other out of pocket expenses reasonably incurred by it in connection with evaluating, investigating or defending against such loss, claim, damage, liability or action; provided, however, that (y) neither of the Transaction Entities shall be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, the General Disclosure Package, the Prospectus, or any amendment or supplement thereto or any Issuer Free Writing Prospectus, in reliance upon and in conformity with the Underwriter Information and (z) with respect to any untrue statement or omission or alleged untrue statement or omission made in the Preliminary Prospectus, if any, the indemnity agreement contained in this Section 5(a) shall not inure to the benefit of an Underwriter to the extent that any losses, claims, damages or liabilities of such Underwriter results from the fact that a copy of the Preliminary Prospectus was not given or sent to the person asserting any such loss, claims, damage or liability at or prior to the written confirmation of sale of the Units to such person as required by the Securities Act and the rules and regulations thereunder, and if the untrue statement or omission has been corrected in the Prospectus, unless such failure to deliver the Prospectus was a result of non-compliance by the Company with its obligations under this Agreement. This indemnity agreement will be in addition to any liability which the Transaction Entities may otherwise have.

(b) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless (i) the Company, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and (ii) each director of the Company, and each officer of the Company who signs the Registration Statement, against any losses, claims, damages or liabilities to which such party may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement, the General Disclosure Package or the Prospectus or any such amendment or supplement in reliance upon and in conformity with the Underwriter Information; provided, however, that the obligation of each Underwriter to indemnify the Company (including any controlling person, director or officer thereof) shall be limited to the amount of the underwriting discount and commissions applicable to the Units to be purchased by such Underwriter hereunder.

(c) Any party that proposes to assert the right to be indemnified under this Section will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section, notify each such indemnifying party of the commencement of such action, suit or proceeding, enclosing a copy of all papers served. No indemnification provided for in Section 5(a) or 5(b) shall be available to any party who shall fail to give notice as provided in this Section 5(c) if the party to whom notice was not given was unaware of the proceeding to which such notice would have related and was prejudiced by the failure to give such notice but the omission so to notify such indemnifying party of any such action, suit or proceeding shall not relieve it from any liability that it may have to any indemnified party for contribution or otherwise than under this Section. In case any such action, suit or proceeding shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in, and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with one firm of legal counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof and the approval by the indemnified party of such counsel, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses, except as provided below and except for the reasonable costs of investigation subsequently incurred by such indemnified party in connection with the defense thereof. The indemnified party shall have the right to employ its counsel in any such action, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the employment of counsel by such indemnified party has been authorized in writing by the indemnifying parties, (ii) the indemnified party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to the indemnifying party (in which case the indemnifying parties shall not have the right to direct the defense of such action on behalf of the indemnified party) or (iii) the indemnifying parties shall not have employed counsel to assume the defense of such action within a reasonable time after notice of the commencement thereof, and in any such event the reasonable fees and expenses of one separate counsel (and any additional local counsels) shall be paid by the indemnifying party. An indemnifying party shall not be liable for any settlement of any action, suit, and proceeding or claim effected without its written consent, which consent shall not be unreasonably withheld or delayed.

6. **Contribution**. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in Section 5(a) or 5(b) is due in accordance with its terms but for any reason is unavailable to or insufficient to hold harmless an indemnified party in respect to any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to

the aggregate losses, liabilities, claims, damages and expenses (including any investigation, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, but after deducting any contribution received by any person entitled hereunder to contribution from any person who may be liable for contribution) incurred by such indemnified party, as incurred, in such proportion as is appropriate to reflect the relative benefits received by the Transaction Entities, on the one hand, and the Underwriters, on the other hand, from the Offering pursuant to this Agreement or, if such allocation is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to above but also the relative fault of the Transaction Entities, on the one hand, and the Underwriters, on the other hand, in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations. The Transaction Entities and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 6 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above shall be deemed to include any reasonable legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this Section 6, no Underwriter shall be required to contribute any amount in excess of the underwriting discounts and commissions applicable to the Units purchased by such Underwriter. 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. For purposes of this Section 6, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as such Underwriter, and each director or partner of the Transaction Entities, each officer of the Transaction Entities who signed the Registration Statement, and each person, if any, who controls the Transaction Entities within the meaning of the Section 15 of the Securities Act or Section 20 of the Exchange Act, shall have the same rights to contribution as the Transaction Entities. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this Section 6, notify such party or parties from whom contribution may be sought, but the omission so to notify such party or parties from whom contribution may be sought shall not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this Section 6. No party shall be liable for contribution with respect to any action, suit, proceeding or claim settled without its written consent. The Underwriters' obligations to contribute pursuant to this Section 6 are several in proportion to their respective underwriting commitments and not joint.

7. **Termination**.

(a) This Agreement may be terminated with respect to the Units or Option Securities to be purchased on a Closing Date by the Representative by notifying the Company at any time at or before a Closing Date in the absolute discretion of the Representative if: (i) there shall have occurred a material adverse change in general financial, political or economic conditions or the effect of international conditions on the financial markets in the United States is such as to make it, in the judgment of the Representative, inadvisable or impracticable to market the Units or enforce contracts for the sale of the Units or Option Securities; (ii) any condition specified in Section 3 shall not have been fulfilled when and as required to be fulfilled and not waived by the Representative; (iii) there has occurred any outbreak or material escalation of hostilities or acts of terrorism, pandemic or other calamity or crisis the effect of which on the financial markets of the United States is such as to make it, in the reasonable judgment of the Representative, inadvisable or impracticable to market the Units or enforce contracts for the sale of the Units or Option

Securities; (iv) trading in the shares of Common Stock or any securities of the Company has been suspended or materially limited by the Commission or trading generally on the New York Stock Exchange, the NYSE American or the Nasdaq Capital Market has been suspended or materially limited, or minimum or maximum ranges for prices for securities shall have been fixed, or maximum ranges for prices for securities have been required, by any of said exchanges or by such system or by order of the Commission, FINRA, or any other governmental or regulatory authority; (v) a banking moratorium has been declared by any state or Federal authority; or (vi) in reasonable judgment of the Representative, there has been, since the time of execution of this Agreement or since the respective dates as of which information is given in the Prospectus, any material adverse change in the assets, properties, condition, financial or otherwise, or in the results of operations, business affairs or business prospects of the Transaction Entities and their Subsidiaries, considered as a whole, whether or not arising in the ordinary course of business, such as to make it, in the judgment of the Representative, inadvisable or impracticable to market the Units or enforce contracts for the sale of the Units or Option Securities.

(b) If this Agreement is terminated pursuant to this Section 7, neither of the Transaction Entities shall have any liability to any Underwriter, and no Underwriter shall have any liability to the Transaction Entities, except as set forth in Section 4(b) and Sections 5, 6 and 7; provided, however, that no Underwriter who shall have failed or refused to purchase the Units agreed to be purchased by it under this Agreement, other than as permitted in Section 7 hereof, shall be relieved of liability to the Transaction Entities, or to the other Underwriters for damages occasioned by its failure or refusal.

8. **Substitution of Underwriters**.

(a) If any Underwriter shall default in its obligation to purchase on any Closing Date the Units agreed to be purchased hereunder on such Closing Date, the Representative shall have the right, within 36 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase such Units on the terms contained herein. If, however, the Representative shall not have completed such arrangements within such 36-hour period, then the Company shall be entitled to a further period of 36 hours within which to procure another party or other parties reasonably satisfactory to the Underwriters to purchase such Units on such terms.

(b) If, after giving effect to any arrangements for the purchase of the Units of a defaulting Underwriter or Underwriters by the Representative and the Company as provided above, the aggregate number of Units which remains unpurchased on such Closing Date does not exceed 10% of the aggregate number of all the Units that all the Underwriters are obligated to purchase on such date, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Units which such Underwriter agreed to purchase hereunder at such date and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Units which such Underwriter agreed to purchase hereunder) of the Units of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default. In any such case, either the Representative or the Company shall have the right to postpone the applicable Closing Date for a period of not more than seven days in order to effect any necessary changes and arrangements (including any necessary amendments or supplements to the Registration Statement or Prospectus or any other documents), and the Company agrees to file promptly any amendments to the Registration Statement or the Prospectus which in the opinion of the Company and the Underwriters and their counsel may thereby be made necessary.

(c) If, after giving effect to any arrangements for the purchase of the Units of a defaulting Underwriter or Underwriters by the Representative and the Company as provided above, the aggregate number of such Units which remains unpurchased exceeds 10% of the aggregate number of all the Units to be purchased at such date, then this Agreement, or, with respect to a Closing Date which occurs after the Firm

Closing Date, the obligations of the Underwriters to purchase and of the Company, as the case may be, to sell the Option Shares or Option Warrants to be purchased and sold on such date, shall terminate, without liability on the part of any non-defaulting Underwriter to the Company, and without liability on the part of the Company, except as provided in the first, third, and last sentences of Section 4(b) and Sections 5, 6 and 8. The provisions of this Section 8 shall not in any way affect the liability of any defaulting Underwriter to the Company or the nondefaulting Underwriters arising out of such default. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 8 with like effect as if such person had originally been a party to this Agreement with respect to such Units.

9. **Representations, Warranties and Agreements to Survive**. The respective agreements, representations, warranties, indemnities and other statements of the Transaction Entities and the several Underwriters, as set forth in this Agreement or made by or on behalf of them pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or the Transaction Entities, or any of their respective officers, directors or controlling persons referred to in Sections 5 and 6 hereof, and shall survive delivery of and payment for the Units.

10. **Miscellaneous**.

(a) This Agreement has been and is made for the benefit of the Underwriters, the Transaction Entities, and their respective successors and assigns, and, to the extent expressed herein, for the benefit of persons controlling any of the Underwriters, or the Transaction Entities, and directors and officers of the Transaction Entities, and their respective successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" shall not include any purchaser of Units from any Underwriter merely because of such purchase.

(b) All notices and communications hereunder shall be in writing and mailed, electronically transmitted, delivered, or given by telephone if subsequently confirmed in writing, (a) if to the Representative, c/o Maxim Group LLC, 405 Lexington Avenue, New York, New York 10174, Attention: Equity Capital Markets, with a copy to Maxim Group LLC, 405 Lexington Avenue, New York, New York 10174, Attention: General Counsel, and to Harter Secrest & Emery LLP, 1600 Bausch & Lomb Place, Rochester, NY 14604, Attention: Alexander R. McClean, Esq., and (b) if to the Company, to the Company's agent for service as such agent's address appears on the cover page of the Registration Statement with a copy to Foley & Lardner LLP, 100 North Tampa Street, Suite 2700, Tampa, FL 33602, Attention: Curt Creely, Esq.

(c) **This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard for conflict of laws principles**. Each of the parties hereto hereby submits to thenon-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in the City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. Each of the parties irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum. THE PARTIES AGREE, TO THE EXTENT PERMITTED BY LAW, TO WAIVE THEIR RIGHTS TO A JURY TRIAL IN ANY PROCEEDING ARISING OUT OF THIS AGREEMENT.

(d) In connection with this Agreement, the Representative will act for and on behalf of the several Underwriters, and any action taken under this Agreement by the Representative, will be binding on all the Underwriters.

(e) This Agreement constitutes the entire agreement of the parties to this Agreement and supersedes all prior or contemporaneous written or oral agreements, understandings, promises and negotiations with respect to the subject matter hereof.

(f) The invalidity or unenforceability of any Section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other Section, paragraph or provision hereof. If any Section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

(g) In this Agreement, the masculine, feminine and neuter genders and the singular and the plural include one another. The section headings in this Agreement are for the convenience of the parties only and will not affect the construction or interpretation of this Agreement.

(h) This Agreement may be amended or modified, and the observance of any term of this Agreement may be waived, only by a writing signed by the Transaction Entities and the Representative.

(i) This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Such counterparts may be delivered by facsimile or by email delivery of a "pdf" format data file, which counterparts shall be valid as if original and which delivery shall be valid delivery thereof.

[*Signature Page Follows*]

Please confirm that the foregoing correctly sets forth the agreement among us.

Very truly yours,

Generation Income Properties, Inc.

By: _____
Name: David Sobelman
Title: President and Chairman

Generation Income Properties, L.P.
By: Generation Income Properties, Inc., its General Partner

By: _____
Name: David Sobelman
Title: President and Chairman

Agreed to and confirmed

REPRESENTATIVE
(acting severally on behalf of itself and as Representative of the several Underwriters named on ***Schedule 1(a)*** *annexed hereto.):*

Maxim Group LLC

By: _____
Name: Clifford Teller
Title: Executive Managing Director

SCHEDULE 1(A)

Underwriters

Name	Firm Units	Firm Shares	Firm Warrants	Closing Purchase Price
Maxim Group LLC	[__]	[__]	[__]	[__]
Joseph Gunnar & Co. LLC	[__]	[__]	[__]	[__]
Total	**[__]**	**[__]**	**[__]**	**[__]**

SCHEDULE 2(A)

General Disclosure Package

None.

SCHEDULE 2(B)

Issuer Free Writing Prospectus

None.

SCHEDULE 2(F)

Significant Properties

None

SCHEDULE 2(J)

Significant Subsidiaries

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
GIPFL 508 S HOWARD AVE, LLC	Delaware
GIPNC 201 ETHERIDGE ROAD LLC	Delaware
GIPFL 702 TILLMAN PLACE, LLC	Delaware

SCHEDULE 2(CC)
Lock-up Signatories

1. David Sobelman
2. Richard Russell
3. Benjamin Adams
4. Patrick Quilty
5. Betsy Peck
6. Stuart Eisenberg
7. Steve Westphal as President of Kitty Talk, Inc.
8. John Robert Sierra Sr. as sole trustee of the John Robert Sierra, Sr. Revocable Family Trust

EXHIBIT A

Form of Lock-Up Agreement

(See Attached)

EXHIBIT B

Representative's Warrant Agreement

(See Attached)

EXHIBIT C

Warrant

(See Attached)

Exhibit 4.8

Form of Representative's Warrant Agreement

THE REGISTERED HOLDER OF THIS WARRANT SHALL NOT SELL, TRANSFER, ASSIGN, PLEDGE OR HYPOTHECATE, OR BE THE SUBJECT OF ANY HEDGING, SHORT SALE, DERIVATIVE, PUT, OR CALL TRANSACTION THAT WOULD RESULT IN THE EFFECTIVE ECONOMIC DISPOSITION OF THIS WARRANT OR THE UNDERLYING SECURITIES FOR A PERIOD OF ONE HUNDRED EIGHTY (180) DAYS IMMEDIATELY FOLLOWING THE EFFECTIVE DATE (DEFINED BELOW) EXCEPT AS MAY BE PERMITTED BY SECTION 4(A) BELOW AND IN COMPLIANCE WITH FINRA RULE 5110(E).

THIS WARRANT IS NOT EXERCISABLE PRIOR TO [_____].[1] VOID AFTER 5:00 P.M., EASTERN TIME, [_____].[2]

WARRANT TO PURCHASE COMMON STOCK

GENERATION INCOME PROPERTIES, INC.

Warrant Shares: [____][3]

Initial Issuance Date: [_____], 2021
Initial Exercise Date: [_____], 2022

THIS WARRANT TO PURCHASE COMMON STOCK (the "Warrant") certifies that, for value received, [ ], or its assigns (the "Holder"), is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after _____, 2022[4] (the "Initial Exercise Date") and, in accordance with FINRA Rule 5110(g)(8)(A), prior to at 5:00 p.m. (New York time) on the date that is five (5) years following the Effective Date (the "Termination Date") but not thereafter, to subscribe for and purchase from GENERATION INCOME PROPERTIES, INC., a Maryland corporation (the "Company"), up to _____[3] shares of common stock, par value $0.01 per share ("Common Stock"), of the Company, as subject to adjustment hereunder (the "Warrant Shares"). The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. In addition to the terms defined elsewhere in this Warrant, the following terms have the meanings indicated in this Section 1:

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided that banks shall not be deemed to be authorized or obligated to be closed due to a "shelter in place," "non-essential employee" or similar closure of physical branch locations at the direction of any governmental authority if such banks' electronic funds transfer systems (including for wire transfers) are open for use by customers on such day.

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1 180 days from the date of the Underwriting Agreement
2 5 years from the date of the Underwriting Agreement
3 Equal to 9% of the Shares sold in the Offering
4 180 days from the date of the Underwriting Agreement

"Commission" means the United States Securities and Exchange Commission.

"Effective Date" means the date =on which the registration statement on FormS-11, as amended (File No. 333-235707), pursuant to which this Warrant is initially issued, is declared effective by the Commission.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Trading Day" means a day on which the New York Stock Exchange is open for trading.

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of a share of Common Stock for such date (or the nearest preceding date) on the OTCQB or OTCQX as applicable, (c) if Common Stock is not then listed or quoted for trading on the OTCQB or OTCQX and if prices for Common Stock are then reported on the OTC Pink Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of Common Stock so reported, or (d) in all other cases, the fair market value of the Common Stock as determined by an independent appraiser selected in good faith by the Holder and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

Section 2. Exercise.

a) Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company (or such other office or agency of the Company as it may designate by notice in writing to the registered Holder at the address of the Holder appearing on the books of the Company) of a duly executed facsimile copy (or e-mail attachment) of the Notice of Exercise Form annexed hereto. Within two (2) Trading Days following the date of

exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the shares specified in the applicable Notice of Exercise by wire transfer or cashier's check drawn on a United States bank unless the cashless exercise procedure specified in Section 2(c) below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise form be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within five (5) Trading Days of the date the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise Form within two (2) Business Days of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

b) Exercise Price. The exercise price per share of the Common Stock under this Warrant shall be $[___][5], subject to adjustment hereunder (the "Exercise Price").

c) Cashless Exercise. If at any time on or after the Initial Exercise Date, there is no effective registration statement registering, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive the number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = asapplicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) both executed and delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day or (2) both executed and delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of "regular trading hours" (as defined in Rule 600(b)(68) of Regulation NMS promulgated under the federal securities laws) on such Trading Day, (ii) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is executed during "regular trading hours" on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of "regular trading hours" on a Trading Day) pursuant to Section 2(a) hereof or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is both executed and delivered pursuant to Section 2(a) hereof after the close of "regular trading hours" on such Trading Day;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

5 125% of the public offering price per Unit sold in the Offering.

(X) = thenumber of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a "cashless exercise," the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised, and the holding period of the Warrants being exercised may be tacked on to the holding period of the Warrant Shares. The Company agrees not to take any position contrary to this Section 2(c).

Notwithstanding anything herein to the contrary, on the Termination Date, this Warrant shall be automatically exercised via cashless exercise pursuant to this Section 2(c) so long as the quotient set forth in the first paragraph of this Section 2(c) results in the issuance to the Holder of at least one whole Warrant Share.

d) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by its transfer agent to the Holder by crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder, (B) this Warrant is being exercised via Cashless Exercise, or (C) the Warrant Shares are eligible for resale by the Holder without volume or manner-of-sale limitations pursuant to Rule 144 and, in either case, the Warrant Shares have been sold by the Holder prior to the Warrant Share Delivery Date (as defined below), and otherwise by physical delivery of a certificate bearing a customary restrictive legend, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is two (2) Trading Days after the delivery to the Company of the Notice of Exercise (such date, the "Warrant Share Delivery Date"). If the Warrant Shares can be delivered via DWAC and are not required to have a restrictive legend, the transfer agent shall have received from the Company, at the expense of the Company, any legal opinions or other documentation required by it to deliver such Warrant Shares without legend (subject to receipt by the Company of reasonable back up documentation from the Holder, including with respect to affiliate status) and, if applicable and requested by the Company prior to the Warrant Share Delivery Date, the transfer agent shall have received from the Holder a confirmation of sale of the Warrant Shares (provided the requirement of the Holder to provide a confirmation as to the sale of Warrant Shares shall not be applicable to the issuance of unlegended Warrant Shares upon a cashless exercise of this Warrant if the Warrant Shares are then eligible for resale pursuant to Rule 144(b)(1)). The Warrant Shares shall be deemed to have been issued, and Holder or any other person so designated to be named therein shall be deemed to have become a holder of record of such shares for all purposes, as of the date the Warrant has been exercised, with payment to the Company of the Exercise Price (or by cashless exercise, if permitted) and all taxes required to be paid by the Holder, if any, pursuant to Section 2(d)(vi) prior to the issuance of such shares, having been paid. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the second Trading Day following the Warrant Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), $10 per Trading Day (increasing to $20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after the second Trading Day following such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise.

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause its transfer agent to deliver to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise; provided, however, that the Holder shall be required to return any Warrant Shares or Common Stock subject to any such rescinded exercise notice concurrently with the return to Holder of the aggregate Exercise Price paid to the Company for such Warrant Shares and the restoration of Holder's right to acquire such Warrant Shares pursuant to this Warrant (including, issuance of a replacement warrant certificate evidencing such restored right).

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause its transfer agent to transmit to the Holder the Warrant Shares pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of $10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder $1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all transfer agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vii. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

viii. Signature. This Section 2 and the exercise form attached hereto set forth the totality of the procedures required of the Holder in order to exercise this Warrant. Without limiting the preceding sentences, no ink-original exercise form shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any exercise form be required in order to exercise this Warrant. No additional legal opinion, other information or instructions shall be required of the Holder to exercise this Warrant. The Company shall honor exercises of this Warrant and shall deliver the Warrant Shares in accordance with the terms, conditions and time periods set forth herein.

e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other common stock equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially

owned by the Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 9.8% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.8% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Section 3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then

in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification. For the purposes of clarification, the Exercise Price of this Warrant will not be adjusted in the event that the Company or any subsidiary thereof, as applicable, sells or grants any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or common stock equivalents, at an effective price per share less than the Exercise Price then in effect.

b) [RESERVED]

c) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any common stock equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "Purchase Rights"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

d) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend of shares of its Common Stock or other non-cash distribution of its assets, (or rights to acquire its assets) to holders of shares of Common Stock (including, without limitation, any distribution of stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

e) Fundamental Transaction. If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person (other than a merger in which the Company is the surviving corporation and in which the stockholders of the Company immediately prior to such merger or consolidation own more than 50% of the voting securities of the surviving entity immediately following such merger or consolidation), (ii) the Company or any subsidiary, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its subsidiaries (taken as a whole on a consolidated basis) in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is, as a class, effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off, merger or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder (without regard to any limitation in Section 2(e) on the exercise of this Warrant), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable by holders of Common Stock as a result of such Fundamental Transaction for each share of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction (without regard to any limitation in Section 2(e) on the exercise of this Warrant). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") to assume in writing all of the obligations of the Company under this Warrant in accordance with the provisions of this Section 3(e) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable for a

corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant with the same effect as if such Successor Entity had been named as the Company herein.

f) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

g) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a non-cash dividend (or any other non-cash distribution) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock (excluding, however, any forward or reverse stock split), any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered a notice to the Holder at its last address as it shall appear upon the Warrant Register of the Company, at least 15 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close,

and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to provide such notice or any defect therein shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of the subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

a) Transferability. Pursuant to FINRA Rule 5110(e)(1), neither this Warrant nor any Warrant Shares issued upon exercise of this Warrant shall be sold, transferred, assigned, pledged, or hypothecated, or be the subject of any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the securities by any person for a period of 180 days immediately following the Effective Date or commencement of sales of the offering pursuant to which this Warrant is being issued, except the transfer of any security:

i. by operation of law or by reason of reorganization of the Company;

ii. to any FINRA member firm participating in the offering and the officers or partners thereof, if all securities so transferred remain subject to the lock-up restriction in this Section 4(a) for the remainder of the time period;

iii. if the aggregate amount of securities of the Company held by the Holder or related person do not exceed 1% of the securities being offered;

iv. that is beneficially owned on a pro-rata basis by all equity owners of an investment fund, provided that no participating member manages or otherwise directs investments by the fund, and participating members in the aggregate do not own more than 10% of the equity in the fund; or

v. the exercise or conversion of any security, if all securities received remain subject to the lock-up restriction in this Section 4(a) for the remainder of the time period.

Subject to the foregoing restriction, any applicable securities laws and the conditions set forth in Section 4(d), this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant

evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date the Holder delivers an assignment form to the Company assigning this Warrant full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the initial issuance date of this Warrant and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

d) Representation by the Holder. The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state securities law, except pursuant to sales registered or exempted under the Securities Act.

Section 5. Registration Rights.

5.1.1 [RESERVED]

5.1.2 [RESERVED]

5.2 "Piggy-Back" Registration.

5.2.1 Grant of Right. If at any time prior to the five-year anniversary of the Effective Date, a registration statement covering the issuance or resale of the Warrant Shares underlying the Warrants is no longer effective, the Holder shall have the right, for a period of no more than five (5) years from the Effective Date in compliance with FINRA Rule 5110(g)(8)(D), to include all or any part of the Warrant Shares underlying the Warrants (the "Registrable Securities") as part of any other registration of securities filed by the Company (other than in connection with a transaction contemplated by Rule 145(a) promulgated under the Securities Act or pursuant to Form S-8, Form S-4 or any equivalent form); provided, however, that if, solely in connection with any primary underwritten public offering for the account of the Company, the managing underwriter(s) thereof shall, in its reasonable discretion, impose a limitation on the number of shares which may be included in the Registration Statement because, in such underwriter(s)' judgment, marketing or

other factors dictate such limitation is necessary to facilitate public distribution, then the Company shall be obligated to include in such Registration Statement only such limited portion of the Registrable Securities with respect to which the Holder requested inclusion hereunder as the underwriter shall reasonably permit. Any exclusion of Registrable Securities shall be made pro rata among the Holders seeking to include Registrable Securities in proportion to the number of Registrable Securities sought to be included by such Holders.

5.2.2 Terms. The Company shall bear all fees and expenses attendant to registering the Registrable Securities pursuant to Section 5.2.1 hereof, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. In the event of such a proposed registration, the Company shall furnish the then Holders of outstanding Registrable Securities with not less than thirty (30) days written notice prior to the proposed date of filing of such registration statement. Such notice to the Holders shall continue to be given for each registration statement filed by the Company during the five (5) year period following the Effective Date until such time as all of the Registrable Securities have been sold by the Holder. The holders of the Registrable Securities shall exercise the "piggy-back" rights provided for herein by giving written notice within ten (10) days of the receipt of the Company's notice of its intention to file a registration statement. Except as otherwise provided in this Warrant, there shall be no limit on the number of times the Holder may request registration under this Section 5.2.2; provided, however, that such registration rights shall terminate on the fifth (5^{th}) anniversary of the Effective Date.

5.3 General Terms

5.3.1. Indemnification. The Company shall indemnify the Holder(s) of the Registrable Securities to be sold pursuant to any registration statement hereunder and each person, if any, who controls such Holders within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which any of them may become subject under the Securities Act, the Exchange Act or otherwise, arising from such registration statement but only to the same extent and with the same effect as the provisions pursuant to which the Company has agreed to indemnify the Underwriters contained in Section 6.1 of the underwriting agreement, dated [_____], by and between the Company and Maxim Group LLC, as representative of the underwriters set forth therein (the "Underwriting Agreement"). The Holder(s) of the Registrable Securities to be sold pursuant to such registration statement, and their successors and assigns, shall severally, and not jointly, indemnify the Company, against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which they may become subject under the Securities Act, the Exchange Act or otherwise, arising from information furnished by or on behalf of such Holders, or their successors or assigns, in writing, for specific inclusion in such registration statement to the same extent and with the same effect as the provisions contained in Section 6.2 of the Underwriting Agreement pursuant to which the Underwriters have agreed to indemnify the Company.

5.3.2. Exercise of Warrants. Nothing contained in this Warrant shall be construed as requiring the Holder(s) to exercise their Warrants prior to or after the initial filing of any registration statement or the effectiveness thereof.

5.3.3. Documents Delivered to Holders. The Company shall furnish to each Holder participating in any of the foregoing offerings (if such offering is an underwritten public offering) and to each underwriter of any such offering (if such offering is an underwritten public offering), if any, a signed counterpart, addressed to such Holder or underwriter, of: (i) an opinion of counsel to the Company, dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, an opinion dated the date of the closing under any underwriting agreement related thereto), and (ii) a customary "cold comfort" letter dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, a letter dated the date of the closing under the underwriting agreement) signed by the independent registered public accounting firm which has issued a report on the Company's financial statements included in such registration statement, in each case covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of such accountants' letter, with respect to events subsequent to the date of such financial statements, as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to underwriters in underwritten public offerings of securities. The Company shall also deliver promptly to each Holder participating in the offering requesting the correspondence and memoranda described below and to the managing underwriter, if any, copies of all correspondence between the Commission and the Company, its counsel or auditors and all memoranda relating to discussions with the Commission or its staff with respect to the registration statement and permit each Holder and underwriter to do such investigation, upon reasonable advance notice, with respect to information contained in or omitted from the registration statement as it deems reasonably necessary to comply with applicable securities laws or rules of FINRA. Such investigation shall include access to books, records and properties and opportunities to discuss the business of the Company with its officers and independent auditors, all to such reasonable extent and at such reasonable times as any such Holder shall reasonably request.

5.3.4. Underwriting Agreement. The Company shall, if Registrable Securities are being included in an underwritten offering for such offering, enter into a customary underwriting agreement for such offering. The Holders shall be parties to any underwriting agreement relating to an underwritten sale of their Registrable Securities and may, at their option, require that any or all the representations, warranties and covenants of the Company to or for the benefit of such underwriters shall also be made to and for the benefit of such Holders. Such Holders shall not be required to make any representations or warranties to or agreements with the Company or the underwriters except as they may relate to such Holders, their Warrant Shares and their intended methods of distribution.

5.3.5. Documents to be Delivered by Holder(s). Each of the Holder(s) participating in any of the foregoing offerings shall furnish to the Company a completed and executed questionnaire provided by the Company requesting information customarily sought of selling security holders.

5.3.6. Damages. Should the registration or the effectiveness thereof fail to comply with such provisions, the Holder(s) shall, in addition to any other legal or other relief available to the Holder(s), be entitled to obtain specific performance or other equitable (including injunctive) relief against the threatened breach of such provisions or the continuation of any such breach, without the necessity of proving actual damages and without the necessity of posting bond or other security.

Section 6. Miscellaneous.

a) No Rights as Stockholder Until Exercise. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i).

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Trading Day, then, such action may be taken or such right may be exercised on the next succeeding Trading Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e) Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be determined in accordance with the provisions of the Underwriting Agreement.

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state and federal securities laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant or the Underwriting Agreement, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Underwriting Agreement.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant 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 provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

****

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

GENERATION INCOME PROPERTIES, INC.

By: _____

Name:

Title:

NOTICE OF EXERCISE

TO: GENERATION INCOME PROPERTIES, INC.

_____

(1) The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States; or

[ ] if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please register and issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number or by physical delivery of a certificate to:

_____

_____

_____

(4) Accredited Investor. If the Warrant is being exercised via cash exercise, the undersigned is an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: _____

ASSIGNMENT FORM

(To assign the foregoing warrant, execute
this form and supply required information.
Do not use this form to exercise the warrant.)

FOR VALUE RECEIVED, [____] all of or [_____] shares of the foregoing Warrant and all rights evidenced thereby are hereby assigned to

_____ whose address is

_____ .

Dated: _____, _____

Holder's Signature: _____

Holder's Address: _____

_____

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatsoever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

Exhibit 4.9

COMMON STOCK PURCHASE WARRANT

GENERATION INCOME PROPERTIES, INC.

Warrant Shares: [_____] Initial Exercise Date: [_____], 2021

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, _____ or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the "Initial Exercise Date") and on or prior to 5:00 p.m. (New York City time) on [_____], 2026[1] (the "Termination Date") but not thereafter, to subscribe for and purchase from Generation Income Properties, Inc., a Maryland corporation (the "Company"), up to [___] shares (as subject to adjustment hereunder, the "Warrant Shares") of Common Stock. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b). This Warrant shall initially be issued and maintained in the form of a security held in book-entry form and the Depository Trust Company or its nominee ("DTC") shall initially be the sole registered holder of this Warrant, subject to a Holder's right to elect to receive a Warrant in certificated form pursuant to the terms of the Warrant Agency Agreement, in which case this sentence shall not apply.

Section 1. Definitions. In addition to the terms defined elsewhere in this Warrant, the following terms have the meanings indicated in this Section 1:

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Bid Price" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided that banks shall not be deemed to be authorized or obligated to be closed due to a "shelter in place," "non-essential employee" or similar closure of physical branch locations at the direction of any governmental authority if such banks' electronic funds transfer systems (including for wire transfers) are open for use by customers on such day.

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1 Insert the date that is the 5th year anniversary of the Initial Exercise Date; provided, however, that, if such date is not a Trading Day, insert the immediately following Trading Day.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.01 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Stock Equivalents" means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock of the Company, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock of the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Registration Statement" means the Company's registration statement on Form S-11, as amended (File No. 333-235707).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Trading Day" means a day on which the Common Stock is traded on a Trading Market.

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"Transfer Agent" means VStock Transfer, LLC, with a mailing address of 18 Lafayette Place, Woodmere, NY 11598 and a phone number of (212) 828-8436 and any successor transfer agent of the Company.

"Underwriting Agreement" means the underwriting agreement, dated as of [___], 2021 among the Company and Maxim Group, LLC as representative of the underwriters named therein, as amended, modified or supplemented from time to time in accordance with its terms.

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar

organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

"Warrant Agency Agreement" means that certain warrant agency agreement, dated on or about the Initial Exercise Date, between the Company and the Warrant Agent.

"Warrant Agent" means the Transfer Agent and any successor warrant agent of the Company.

"Warrants" means this Warrant and other Common Stock purchase warrants issued by the Company pursuant to the Registration Statement.

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed facsimile copy (or e-mail attachment) of the Notice of Exercise in the form annexed hereto (the "Notice of Exercise"). Within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(d)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the shares specified in the applicable Notice of Exercise by wire transfer or cashier's check drawn on a United States bank unless the Cashless Exercise procedure specified in Section 2(c) below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Business Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

Notwithstanding the foregoing in this Section 2(a), a holder whose interest in this Warrant is a beneficial interest in certificate(s) representing this Warrant held in book-entry form through DTC (or another established clearing corporation performing similar functions), shall effect exercises made pursuant to this Section 2(a) by delivering to DTC (or such other clearing corporation, as applicable) the appropriate instruction form for exercise, complying with the procedures to effect exercise that are required by DTC (or such other clearing corporation, as applicable), subject to a Holder's right to elect to receive a Definitive Warrant pursuant to the terms of the Warrant Agency Agreement, in which case this sentence shall not apply.

b) Exercise Price. The exercise price per share of Common Stock under this Warrant shall be $[_____][2], subject to adjustment hereunder (the "Exercise Price").

c) Cashless Exercise. If at the time of exercise hereof there is no effective registration statement registering such exercise, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a "Cashless Exercise" in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing ((A-B)(X)) by (A), where:

(A) = as applicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) both executed and delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day or (2) both executed and delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of "regular trading hours" (as defined in Rule 600(b)(68) of Regulation NMS promulgated under the federal securities laws) on such Trading Day, (ii) at the option of the Holder, either (y) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise or (z) the Bid Price of the Common Stock on the principal Trading Market as reported by Bloomberg L.P. as of the time of the Holder's execution of the applicable Notice of Exercise if such Notice of Exercise is executed during "regular trading hours" on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of "regular trading hours" on a Trading Day) pursuant to Section 2(a) hereof or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is both executed and delivered pursuant to Section 2(a) hereof after the close of "regular trading hours" on such Trading Day;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a Cashless Exercise.

Notwithstanding anything to the contrary herein, a Cashless Exercise may also occur any time after one hundred twenty (120) days from the Initial Exercise Date of this Warrant if the VWAP of the Common Stock for ten (10) consecutive Trading Days during any period on or after the one hundred twentieth (120th) day after the Initial Exercise Date fails to exceed the Exercise Price in effect as of the Initial Exercise Date (subject to adjustment for any stock splits, stock dividends, stock combinations, recapitalizations and similar events occurring after the Initial Exercise Date). In such event (an "Alternative Cashless Exercise"), the aggregate number of Warrant Shares issuable in such Alternative Cashless Exercise pursuant to any given Notice of Exercise electing to effect an Alternative Cashless Exercise shall equal the product of (x) the aggregate number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a Cashless Exercise multiplied by (y) 0.10.

2 Insert 100% of the price per Unit in the Offering.

If Warrant Shares are issued in such a Cashless Exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised. The Company agrees not to take any position contrary to this Section 2(c).

Notwithstanding anything herein to the contrary and Section 2(d)(v) below, on the Termination Date, this Warrant shall be automatically exercised via Cashless Exercise pursuant to the first paragraph of this Section 2(c) so long as the quotient set forth in the first paragraph of this Section 2(c) results in the issuance to Holder of at least one whole Warrant Share.

d) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder or (B) this Warrant is being exercised via Cashless Exercise, and otherwise by physical delivery of a certificate (bearing a customary restrictive legend, if required), registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the earliest of (i) two (2) Trading Days after the delivery to the Company of the Notice of Exercise, (ii) one (1) Trading Day after delivery of the aggregate Exercise Price to the Company and (iii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the "Warrant Share Delivery Date"). Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a Cashless Exercise) is received within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period following delivery of the Notice of Exercise. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), $10 per Trading Day (increasing to $20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise. The Company agrees to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Exercise.

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(d)(i) above pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of $10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder $1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vii. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock,

a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% (or, upon election by a Holder prior to the issuance of any Warrants, 9.8%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.8% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Section 3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "Purchase Rights"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon

complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance (but not beyond the expiration date or termination date of the Purchase Right) for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

c) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend of shares of its Common Stock or other non-cash distribution of its assets, (or rights to acquire its assets) to holders of shares of Common Stock (including, without limitation, any distribution of stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

d) Fundamental Transaction. If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person (other than a merger in which the Company is the surviving corporation and in which the stockholders of the Company immediately prior to such merger or consolidation own more than 50% of the voting securities of the surviving entity immediately following such merger or consolidation), (ii) the Company or any Subsidiary, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries (taken as a whole on a consolidated basis) in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is, as a class, effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization,

recapitalization, spin-off, merger or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder (without regard to any limitation in Section 2(e) on the exercise of this Warrant), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction (without regard to any limitation in Section 2(e) on the exercise of this Warrant). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. Notwithstanding anything to the contrary, in the event of a Fundamental Transaction, the Company or any Successor Entity (as defined below) shall, at the Holder's option, exercisable at any time concurrently with, or within 30 days after, the consummation of the Fundamental Transaction (or, if later, the date of the public announcement of the applicable Fundamental Transaction), purchase this Warrant from the Holder by paying to the Holder an amount of cash equal to the Black Scholes Value of the remaining unexercised portion of this Warrant on the date of the consummation of such Fundamental Transaction; provided, however, if the Fundamental Transaction is not within the Company's control, including not approved by the Company's Board of Directors, the Holder shall only be entitled to receive from the Company or any Successor Entity, as of the date of consummation of such Fundamental Transaction, the same type or form of consideration (and in the same proportion), at the Black Scholes Value of the unexercised portion of this Warrant, that is being offered and paid to the holders of Common Stock of the Company in connection with the Fundamental Transaction, whether that consideration be in the form of cash, stock or any combination thereof, or whether the holders of Common Stock are given the choice to receive from among alternative forms of consideration in connection with the Fundamental Transaction; provided, further, that if holders of Common Stock of the Company are not offered or paid any consideration in such Fundamental Transaction, such holders of Common Stock will be deemed to have received common stock of the Successor Entity (which Entity may be the Company following such Fundamental Transaction) in such Fundamental Transaction. "Black Scholes Value" means the value of this Warrant based on the Black and Scholes Option Pricing Model obtained from the "OV" function on Bloomberg, L.P. ("Bloomberg") determined as of the day of consummation of the applicable Fundamental Transaction for pricing purposes and reflecting (A) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the time between the date of the public announcement of the applicable Fundamental Transaction and the Termination Date, (B) an expected volatility equal to the greater of 100% and the 100 day volatility obtained from the HVT function on Bloomberg (determined using a 365 day annualization factor) as of the Trading Day immediately following the public announcement of the applicable Fundamental Transaction, (C) the underlying price per share used in such calculation shall be the greater of (i) the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any,

being offered in such Fundamental Transaction and (ii) the highest VWAP during the period beginning on the Trading Day immediately preceding the public announcement of the applicable Fundamental Transaction (or the consummation of the applicable Fundamental Transaction, if earlier) and ending on the Trading Day of the Holder's request pursuant to this Section 3(d) and (D) a remaining option time equal to the time between the date of the public announcement of the applicable Fundamental Transaction and the Termination Date. The payment of the Black Scholes Value will be made by wire transfer of immediately available funds or such other consideration within five Business Days of the Holder's election (or, if later, on the date of consummation of the Fundamental Transaction). The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") to assume in writing all of the obligations of the Company under this Warrant in accordance with the provisions of this Section 3(d) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant with the same effect as if such Successor Entity had been named as the Company herein.

e) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

f) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a non-cash dividend (or any other non-cash distribution) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of

the Company shall be required in connection with any reclassification of the Common Stock (excluding, however, any forward or reverse stock split), any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by facsimile or email to the Holder at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least 10 calendar days prior to the applicable record or effective date hereinafter specified, a notice (unless such information is filed with the Commission, in which case a notice shall not be required) stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

a) Transferability. This Warrant and all rights hereunder are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the initial issuance date of this Warrant and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Warrant Agent (or, in the event a Holder elects to receive a Definitive Certificate (as defined in the Warrant Agency Agreement), the Company) shall register this Warrant, upon records to be maintained by the Warrant Agent (or, in the event a Holder elects to receive a Definitive Certificate, the Company) for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company and the Warrant Agent may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

a) No Rights as Stockholder Until Exercise. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Warrant (whether brought against a party hereto or their respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action, suit or proceeding to enforce any provisions of this Warrant, the prevailing party in such action, suit or proceeding shall be reimbursed by the other party for their reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding. Notwithstanding the foregoing, nothing in this paragraph shall limit or restrict the federal district court in which a Holder may bring a claim under the federal securities laws.

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize Cashless Exercise, will have restrictions upon resale imposed by state and federal securities laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Exercise, shall be in writing and delivered personally, or e-mail, or sent by a nationally recognized overnight courier service, addressed to the Company, at Generation Income Properties, Inc., 401 East Jackson Street, Suite 3300, Tampa, FL 33602, Attention: David Sobelman, email address: ds@gipreit.com, or such other facsimile number, email address or address as the Company may specify for such purposes by notice to the Holders. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile or e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the facsimile number, e-mail address or address of such Holder appearing on the books of the Company. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the time of transmission, if such notice or communication is delivered via facsimile at the facsimile number or via e-mail at the e-mail address set forth in this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the time of transmission, if such notice or communication is delivered via facsimile at the facsimile number or via e-mail at the e-mail address set forth in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company, on the one hand, and the Holder or the beneficial owner of this Warrant, on the other hand.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant 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 provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

o) Warrant Agency Agreement. If this Warrant is held in global form through DTC (or any successor depositary), this Warrant is issued subject to the Warrant Agency Agreement. To the extent any provision of this Warrant conflicts with the express provisions of the Warrant Agency Agreement, the provisions of this Warrant shall govern and be controlling.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

GENERATION INCOME PROPERTIES, INC.

By: _____
Name: David Sobelman
Title: President and Chief Executive Officer

NOTICE OF EXERCISE

TO: GENERATION INCOME PROPERTIES, INC.

(1) The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States; or

[ ] (applicable to a Cashless Exercise other than an Alternative Cashless Exercise) if permitted, the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in the first paragraph of subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the Cashless Exercise procedure set forth in the first paragraph subsection 2(c).

[ ] (applicable to an Alternative Cashless Exercise) if permitted, the cancellation of such number of Warrant Shares as shall be necessary to effect an Alternative Cashless Exercise.

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number:

_____

_____

_____

[SIGNATURE OF HOLDER]

Name of Investing Entity:

_____

Signature of Authorized Signatory of Investing Entity:

_____

Name of Authorized Signatory:

_____

Title of Authorized Signatory:

_____

Date:

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Phone Number: _____

Email Address: _____

Dated: _____ __, _____

Holder's Signature: _____

Holder's Address: _____

Exhibit 4.10

GENERATION INCOME PROPERTIES, INC.

and

VSTOCK TRANSFER, LLC, as
Warrant Agent

Warrant Agency Agreement

Dated as of [_], 2021

WARRANT AGENCY AGREEMENT

WARRANT AGENCY AGREEMENT, dated as of _____, 2021 ("Agreement"), between Generation Income Properties, Inc., a Maryland corporation (the "Company"), and VStock Transfer, LLC, a limited liability company organized under the laws of California (the "Warrant Agent").

W I T N E S S E T H

WHEREAS, pursuant to a registered offering by the Company of ___ Units (the "Offering"), with each Unit consisting of one (1) share of the Company's common stock, par value $0.01 per share (the "Common Stock") and one (1) warrant (the "Warrants") to purchase one (1) share of Common Stock (the "Warrant Shares") at a price of $___ per share (or 100% of the price of each Unit sold in the Offering); and

WHEREAS, the Company granted an over-allotment option to purchase up to 15% of the aggregate number of Units sold, including warrants to purchase an additional __ shares of Common Stock (the "Over-Allotment Option") to the Underwriters; and

WHEREAS, upon the terms and subject to the conditions hereinafter set forth and pursuant to an effective registration statement on Form S-11, as amended (File No. 333-235707) (the "Registration Statement"), and the terms and conditions of the Warrant Certificate, the Company wishes to issue the Warrants in book entry form entitling the respective holders of the Warrants (the "Holders," which term shall include a Holder's transferees, successors and assigns and "Holder" shall include, if the Warrants are held in "street name," a Participant (as defined below) or a designee appointed by such Participant); and

WHEREAS, the shares of Common Stock and Warrants to be issued in connection with the Offering shall be immediately separable and will be issued separately, but will be purchased together in the Offering; and

WHEREAS, the Company wishes the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing so to act, in connection with the issuance, registration, transfer, exchange, exercise and replacement of the Warrants and, in the Warrant Agent's capacity as the Company's transfer agent, the delivery of the Warrant Shares (as defined below).

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the parties hereby agree as follows:

Section 1. Certain Definitions. For purposes of this Agreement, all capitalized terms not herein defined shall have the meanings hereby indicated:

(a) "Affiliate" has the meaning ascribed to it in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

(b) "Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided that banks shall not be deemed to be authorized or obligated to be closed due to a "shelter in place," "non-essential employee" or similar closure of physical branch locations at the direction of any governmental authority if such banks' electronic funds transfer systems (including for wire transfers) are open for use by customers on such day.

(c) "Close of Business" on any given date means 5:00 p.m., New York City time, on such date; provided, however, that if such date is not a Business Day it means 5:00 p.m., New York City time, on the next succeeding Business Day.

(d) "Person" means an individual, corporation, association, partnership, limited liability company, joint venture, trust, unincorporated organization, government or political subdivision thereof or governmental agency or other entity.

(e) "Warrant Certificate" means a certificate in substantially the form attached as Exhibit 1 hereto, representing such number of Warrant Shares as is indicated therein, provided that any reference to the delivery of a Warrant Certificate in this Agreement shall include delivery of a Definitive Certificate or a Global Warrant (each as defined below).

All other capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Warrant Certificate.

Section 2. Appointment of Warrant Agent. The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the terms and conditions hereof, and the Warrant Agent hereby accepts such appointment.

Section 3. Global Warrants.

(a) The Warrants shall be registered securities and shall be evidenced by a global warrant (the "Global Warrants"), in the form of the Warrant Certificate, which shall be deposited with the Warrant Agent and registered in the name of Cede & Co., a nominee of The Depository Trust Company (the "Depositary"), or as otherwise directed by the Depositary. Ownership of beneficial interests in the Warrants shall be shown on, and the transfer of such ownership shall be effected through, records maintained by (i) the Depositary or its nominee for each Global Warrant or (ii) institutions that have accounts with the Depositary (such institution, with respect to a Warrant in its account, a "Participant").

(b) If the Depositary subsequently ceases to make its book-entry settlement system available for the Warrants, the Company may instruct the Warrant Agent regarding other arrangements for book-entry settlement. In the event that the Warrants are not eligible for, or it is no longer necessary to have the Warrants available in, book-entry form, the Warrant Agent shall provide written instructions to the Depositary to deliver to the Warrant Agent for cancellation each Global Warrant, and the Company shall instruct the Warrant Agent to deliver to each Holder a Warrant Certificate.

(c) A Holder has the right to elect at any time or from time to time a Warrant Exchange (as defined below) pursuant to a Warrant Certificate Request Notice (as defined below). Upon written notice by a Holder to the Company and the Warrant Agent for the exchange of some or all of such Holder's Global Warrants for a separate certificate in the form attached hereto as Exhibit 1 (such separate certificate, a "Definitive Certificate") evidencing the same number of Warrants, which request shall be in the form attached hereto as Exhibit 2 (a "Warrant Certificate Request Notice" and the date of delivery of such Warrant Certificate Request Notice by the Holder, the "Warrant Certificate Request Notice Date" and the surrender by the Holder to the Warrant Agent of a number of Global Warrants for the same number of Warrants evidenced by a Warrant Certificate, a "Warrant Exchange"), the Company and the Warrant Agent shall promptly effect the Warrant Exchange and the Company shall direct the Warrant Agent to promptly issue and deliver to the Holder a Definitive Certificate for such number of Warrants in the name set forth in the Warrant Certificate Request Notice. Such Definitive Certificate shall be dated the original issue date of the Warrants, shall be manually executed by an authorized signatory of the Company, shall be in the form attached hereto as Exhibit 1 and shall be reasonably acceptable in all respects to such Holder. In connection with a Warrant Exchange, the Company agrees to deliver, or direct the Warrant Agent to deliver, the Definitive Certificate to the Holder within ten (10) Business Days of the Warrant Certificate Request Notice pursuant to the delivery instructions in the Warrant Certificate Request Notice ("Warrant Certificate Delivery Date"). If the Company fails for any reason to deliver, or to direct the Warrant Agent to deliver, to the Holder the Definitive Certificate subject to the Warrant Certificate Request Notice by the Warrant Certificate Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares evidenced by such Definitive Certificate (based on the VWAP (as defined in the Warrants) of the Common Stock on the Warrant Certificate Request Notice Date), $10 per Business Day for each Business Day after such Warrant Certificate Delivery Date until such Definitive Certificate is delivered or, prior to delivery of such Warrant Certificate, the Holder rescinds such Warrant Exchange. The Company covenants and agrees that, upon the date of delivery of the Warrant Certificate Request Notice, the Holder shall be deemed to be the holder of the Definitive Certificate and, notwithstanding anything to the contrary set forth herein, the Definitive Certificate shall be deemed for all purposes to contain all of the terms and conditions of the Warrants evidenced by such Warrant Certificate, and the terms of this Agreement, other than Sections 3(c), 3(d) and 9 herein, shall not apply to the

Warrants evidenced by the Definitive Certificate. Notwithstanding anything herein to the contrary, the Warrant Agent shall act as warrant agent with respect to any Definitive Certificate requested and issued pursuant to this section. Notwithstanding anything to the contrary contained in this Agreement, in the event of inconsistency between any provision in this Agreement and any provision in a Definitive Certificate, as it may from time to time be amended, the terms of such Definitive Certificate shall control.

(d) A Holder of a Definitive Certificate (pursuant to a Warrant Exchange or otherwise) has the right to elect at any time or from time to time a Global Warrants Exchange (as defined below) pursuant to a Global Warrants Request Notice (as defined below). Upon written notice by a Holder to the Company for the exchange of some or all of such Holder's Warrants evidenced by a Definitive Certificate for a beneficial interest in Global Warrants held in book-entry form through the Depositary evidencing the same number of Warrants, which request shall be in the form attached hereto as Exhibit 3 (a "Global Warrants Request Notice" and the date of delivery of such Global Warrants Request Notice by the Holder, the "Global Warrants Request Notice Date" and the surrender upon delivery by the Holder of the Warrants evidenced by Definitive Certificates for the same number of Warrants evidenced by a beneficial interest in Global Warrants held in book-entry form through the Depositary, a "Global Warrants Exchange"), the Company shall promptly effect the Global Warrants Exchange and shall promptly direct the Warrant Agent to issue and deliver to the Holder Global Warrants for such number of Warrants in the Global Warrants Request Notice, which beneficial interest in such Global Warrants shall be delivered by the Depositary's Deposit or Withdrawal at Custodian system to the Holder pursuant to the instructions in the Global Warrants Request Notice. In connection with a Global Warrants Exchange, the Company shall direct the Warrant Agent to deliver the beneficial interest in such Global Warrants to the Holder within ten (10) Business Days of the Global Warrants Request Notice pursuant to the delivery instructions in the Global Warrant Request Notice ("Global Warrants Delivery Date"). If the Company fails for any reason to deliver to the Holder Global Warrants subject to the Global Warrants Request Notice by the Global Warrants Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares evidenced by such Global Warrants (based on the VWAP (as defined in the Warrants) of the Common Stock on the Global Warrants Request Notice Date), $10 per Business Day for each Business Day after such Global Warrants Delivery Date until such Global Warrants are delivered or, prior to delivery of such Global Warrants, the Holder rescinds such Global Warrants Exchange. The Company covenants and agrees that, upon the date of delivery of the Global Warrants Request Notice, the Holder shall be deemed to be the beneficial holder of such Global Warrants.

Section 4. Form of Warrant Certificates. The Warrant Certificate, together with the form of election to purchase Common Stock ("Notice of Exercise") and the form of assignment to be printed on the reverse thereof, shall be in the form of Exhibit 1 hereto.

Section 5. Countersignature and Registration. The Global Warrant shall be executed on behalf of the Company by its Chief Executive Officer, Chief Financial Officer or Vice President by facsimile signature. The Global Warrant shall be countersigned by the Warrant Agent by facsimile signature and shall not be valid for any purpose unless so countersigned. In case any officer of the Company who shall have signed any of the Global Warrant shall cease to be such officer of the Company before countersignature by the Warrant Agent and issuance and delivery by the Company, such Global Warrant, nevertheless, may be countersigned by the Warrant Agent, issued and delivered with the same force and effect as though the person who signed such Global Warrant had not ceased to be such officer of the Company; and any Global Warrant may be signed on behalf of the Company by any person who, at the actual date of the execution of such Global Warrant, shall be a proper officer of the Company to sign such Global Warrant, although at the date of the execution of this Warrant Agreement any such person was not such an officer.

The Warrant Agent will keep or cause to be kept, at one of its offices, or at the office of one of its agents, books for registration and transfer of the Global Warrants issued hereunder. Such books shall show the names and addresses of the respective Holders of the Global Warrant, the number of warrants evidenced on the face of each of such Global Warrant and the date of each of such Global Warrant. The Company will keep or cause to be kept at one of its offices, books for the registration and transfer of any Definitive Certificates issued hereunder, and the Warrant Agent shall not have any obligation to keep books and records with respect to any Definitive Warrants. Such Company books shall show the names and addresses of the respective Holders of the Definitive Certificates, the number of warrants evidenced on the face of each such Definitive Certificate and the date of each such Definitive Certificate.

Section 6. Mutilated, Destroyed, Lost or Stolen Warrant Certificates. Upon receipt by the Warrant Agent of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of a Warrant Certificate, which evidence shall include an affidavit of loss, or in the case of mutilated certificates, the certificate or portion thereof remaining, and, in case of loss, theft or destruction, of indemnity in customary form and amount, and satisfaction of any other reasonable requirements established by Section 8-405 of the Uniform Commercial Code as in effect in the State of Delaware, and reimbursement to the Company and the Warrant Agent of all reasonable expenses incidental thereto, and upon surrender to the Warrant Agent and cancellation of the Warrant Certificate if mutilated, the Company will make and deliver a new Warrant Certificate of like tenor to the Warrant Agent for delivery to the Holder in lieu of the Warrant Certificate so lost, stolen, destroyed or mutilated.

Section 7. Exercise of Warrants; Exercise Price; Termination Date.

(a) The Warrants shall be exercisable commencing on the Initial Exercise Date. The Warrants shall cease to be exercisable and shall terminate and become void as set forth in the Warrant Certificate. Subject to the foregoing and to Section 7(b) below, the Holder of a Warrant may exercise the Warrant in whole or in part upon surrender of the Warrant Certificate, if required, with the executed Notice of Exercise and payment of the Exercise Price, which may be made, at the option of the Holder, by wire transfer or by certified or official bank check in United States dollars, to the Warrant Agent at the principal office of the Warrant Agent or to the office of one of its agents as may be designated by the Warrant Agent from time to time. In the case of the Holder of a Global Warrant, the Holder shall deliver the executed Notice of Exercise and the payment of the Exercise Price as described herein. Notwithstanding any other provision in this Agreement, a holder whose interest in a Global Warrant is a beneficial interest in a Global Warrant held in book-entry form through the Depositary (or another established clearing corporation performing similar functions), shall effect exercises by delivering to the Depositary (or such other clearing corporation, as applicable) the appropriate instruction form for exercise, complying with the procedures to effect exercise that are required by the Depositary (or such other clearing corporation, as applicable). Delivery of the Warrant Shares shall be made by the Warrant Share Delivery Date. The Company acknowledges that the bank accounts maintained by the Warrant Agent in connection with the services provided under this Agreement will be in its name and that the Warrant Agent may receive investment earnings in connection with the investment at Warrant Agent risk and for its benefit of funds held in those accounts from time to time. Neither the Company nor the Holders will receive interest on any deposits or Exercise Price. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. The Company hereby acknowledges and agrees that, with respect to a holder whose interest in a Global Warrant is a beneficial interest in a Global Warrant held in book-entry form through the Depositary (or another established clearing corporation performing similar functions), upon delivery of irrevocable instructions to such holder's Participant to exercise such warrants, that solely for purposes of Regulation SHO that such holder shall be deemed to have exercised such warrants.

(b) Upon receipt of a Notice of Exercise for a Cashless Exercise the Company will promptly calculate and transmit to the Warrant Agent the number of Warrant Shares issuable in connection with such Cashless Exercise and deliver a copy of the Notice of Exercise to the Warrant Agent, which shall issue such number of Warrant Shares in connection with such Cashless Exercise.

(c) Upon the exercise of the Warrant Certificate pursuant to the terms of Section 2 of the Warrant Certificate, the Warrant Agent shall cause the Warrant Shares underlying such Warrant Certificate or Global Warrant to be delivered to or upon the order of the Holder of such Warrant Certificate or Global Warrant, registered in such name or names as may be designated by such Holder, no later than the Warrant Share Delivery Date (as such term is defined in the Warrant Certificate). If the Company is then a participant in the DWAC system of the Depositary and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder or (B) the Warrant is being exercised via Cashless Exercise, then the certificates for Warrant Shares shall be transmitted by the Warrant

Agent to the Holder by crediting the account of the Holder's broker with the Depositary through its DWAC system. For the avoidance of doubt, if the Company becomes obligated to pay any amounts to any Holders pursuant to Section 2(d)(i) or 2(d)(iv) of the Warrant Certificate, such obligation shall be solely that of the Company and not that of the Warrant Agent. Notwithstanding anything else to the contrary in this Agreement, except in the case of a Cashless Exercise, if any Holder fails to duly deliver payment to the Warrant Agent of an amount equal to the aggregate Exercise Price of the Warrant Shares to be purchased upon exercise of such Holder's Warrant as set forth in Section 7(a) hereof by the Warrant Share Delivery Date, the Warrant Agent will not obligated to deliver such Warrant Shares (via DWAC or otherwise) until following receipt of such payment, and the applicable Warrant Share Delivery Date shall be deemed extended by one day for each day (or part thereof) until such payment is delivered to the Warrant Agent.

(d) The Warrant Agent shall deposit all funds received by it in payment of the Exercise Price for all Warrants in the account of the Company maintained with the Warrant Agent for such purpose (or to such other account as directed by the Company in writing) and shall advise the Company via email at the end of each day on which notices of exercise are received or funds for the exercise of any Warrant are received of the amount so deposited to its account.

Section 8. Cancellation and Destruction of Warrant Certificates. All Warrant Certificates surrendered for the purpose of exercise, transfer, split up, combination or exchange shall, if surrendered to the Company or to any of its agents, be delivered to the Warrant Agent for cancellation or in canceled form, or, if surrendered to the Warrant Agent, shall be canceled by it in accordance with its standard policies and procedures, and no Warrant Certificate shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Agreement on such terms as to indemnity bond or otherwise as requested by the Warrant Agent in accordance with its standard policies and procedures. The Company shall deliver to the Warrant Agent for cancellation and retirement, and the Warrant Agent shall so cancel and retire, any other Warrant Certificate purchased or acquired by the Company otherwise than upon the exercise thereof. The Warrant Agent shall follow its standard procedures with respect to the delivery of canceled Warrant Certificates to the Company, or destruction of such canceled Warrant Certificates, subject to any applicable law, rule or regulation requiring the Warrant Agent to retain such canceled certificates.

Section 9. Certain Representations; Reservation and Availability of Shares of Common Stock or Cash.

(a) This Agreement has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery hereof by the Warrant Agent, constitutes a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, and the Warrants have been duly authorized, executed and issued by the Company and, assuming due authentication thereof by the Warrant Agent pursuant hereto and payment therefor by the Holders as provided in the Registration Statement, constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms and entitled to the benefits hereof; in each case except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) As of the date hereof, the authorized capital stock of the Company consists of (i) 100,000,000 shares of common stock, of which approximately [ ] shares of Common Stock are issued and outstanding as of [ ], 2021, and [ ] shares of Common Stock are reserved for issuance upon exercise of the Warrants, and (ii) 10,000,000 shares of preferred stock, par value $0.01 per share, of which no shares are issued and outstanding as of [ ], 2021. Except as disclosed in the Registration Statement, there are no other outstanding obligations, warrants, options or other rights to subscribe for or purchase from the Company any class of capital stock of the Company.

(c) The Company covenants and agrees that it will cause to be reserved and kept available out of its authorized and unissued shares of Common Stock or its authorized and issued shares of Common Stock held in its treasury, free from preemptive rights, the number of shares of Common Stock that will be sufficient to permit the exercise in full of all outstanding Warrants.

(d) The Company further covenants and agrees that it will pay when due and payable any and all federal and state transfer taxes and charges which may be payable in respect of the original issuance or delivery of the Warrant Certificates or certificates evidencing Common Stock upon exercise of the Warrants. The Company shall not, however, be required to pay any tax or governmental charge which may be payable in respect of any transfer involved in the transfer or delivery of Warrant Certificates or the issuance or delivery of certificates for Common Stock in a name other than that of the Holder of the Warrant Certificate evidencing Warrants surrendered for exercise or to issue or deliver any certificate for shares of Common Stock upon the exercise of any Warrants until any such tax or governmental charge shall have been paid (any such tax or governmental charge being payable by the Holder of such Warrant Certificate at the time of surrender) or until it has been established to the Company's reasonable satisfaction that no such tax or governmental charge is due.

Section 10. Common Stock Record Date. Each Person in whose name any certificate for shares of Common Stock is issued (or to whose broker's account is credited shares of Common Stock through the DWAC system) upon the exercise of Warrants shall for all purposes be deemed to have become the holder of record for the Common Stock represented thereby on, and such certificate shall be dated, the date on which submission of the Notice of Exercise was made, provided that the Warrant Certificate evidencing such Warrant is duly surrendered (but only if required herein) and payment of the Exercise Price (and any applicable transfer taxes) is received on or prior to the Warrant Share Delivery Date; provided, however, that if the date of submission of the Notice of Exercise is a date upon which the Common Stock transfer books of the Company are closed, such Person shall be deemed to have become the record holder of such shares on, and such certificate shall be dated, the next succeeding day on which the Common Stock transfer books of the Company are open.

Section 11. Adjustment of Exercise Price, Number of Shares of Common Stock or Number of the Company Warrants. The Exercise Price, the number of shares covered by each Warrant and the number of Warrants outstanding are subject to adjustment from time to time as provided in Section 3 of the Warrant Certificate. In the event that at any time, as a result of an adjustment made pursuant to Section 3 of the Warrant Certificate, the Holder of any Warrant thereafter exercised shall become entitled to receive any shares of capital stock of the Company other than shares of Common Stock, thereafter the number of such other shares so receivable upon exercise of any Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the shares contained in Section 3 of the Warrant Certificate and the provisions of Sections 7, 11 and 12 of this Agreement with respect to the shares of Common Stock shall apply on like terms to any such other shares. All Warrants originally issued by the Company subsequent to any adjustment made to the Exercise Price pursuant to the Warrant Certificate shall evidence the right to purchase, at the adjusted Exercise Price, the number of shares of Common Stock purchasable from time to time hereunder upon exercise of the Warrants, all subject to further adjustment as provided herein.

Section 12. Certification of Adjusted Exercise Price or Number of Shares of Common Stock. Whenever the Exercise Price or the number of shares of Common Stock issuable upon the exercise of each Warrant is adjusted as provided in Section 11 or 13, the Company shall (a) promptly prepare a certificate setting forth the Exercise Price of each Warrant as so adjusted, and a brief statement of the facts accounting for such adjustment, (b) promptly file with the Warrant Agent and with each transfer agent for the Common Stock a copy of such certificate and (c) instruct the Warrant Agent to send a brief summary thereof to each Holder of a Warrant Certificate.

Section 13. Fractional Shares of Common Stock.

(a) The Company shall not issue fractions of Warrants or distribute Warrant Certificates which evidence fractional Warrants. Whenever any fractional Warrant would otherwise be required to be issued or distributed, the actual issuance or distribution shall reflect a rounding of such fraction to the nearest whole Warrant (rounded down).

(b) The Company shall not issue fractions of shares of Common Stock upon exercise of Warrants or distribute stock certificates which evidence fractional shares of Common Stock. Whenever any fraction of a share of Common Stock would otherwise be required to be issued or distributed, the actual issuance or distribution in respect thereof shall be made in accordance with Section 2(d)(v) of the Warrant Certificate.

Section 14. Conditions of the Warrant Agent's Obligations. The Warrant Agent accepts its obligations herein set forth upon the terms and conditions hereof, including the following to all of which the Company agrees and to all of which the rights hereunder of the Holders from time to time of the Warrant Certificates shall be subject:

(a) *Compensation and Indemnification*. The Company agrees promptly to pay the Warrant Agent the compensation detailed on Exhibit 4 hereto for all services rendered by the Warrant Agent and to reimburse the Warrant Agent for reasonable out-of-pocket expenses (including reasonable counsel fees) incurred without gross negligence or willful misconduct finally adjudicated to have been directly caused by the Warrant Agent in connection with the services rendered hereunder by the Warrant Agent. The Company also agrees to indemnify the Warrant Agent for, and to hold it harmless against, any loss, liability or expense incurred without gross negligence or willful misconduct on the part of the Warrant Agent, finally adjudicated to have been directly caused by Warrant Agent hereunder, including the reasonable costs and expenses of defending against any claim of such liability. The Warrant Agent shall be under no obligation to institute or defend any action, suit, or legal proceeding in connection herewith or to take any other action likely to involve the Warrant Agent in expense, unless first indemnified to the Warrant Agent's satisfaction. The indemnities provided by this paragraph shall survive the resignation or discharge of the Warrant Agent or the termination of this Agreement. Anything in this Agreement to the contrary notwithstanding, in no event shall the Warrant Agent be liable under or in connection with the Agreement for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including but not limited to lost profits, whether or not foreseeable, even if the Warrant Agent has been advised of the possibility thereof and regardless of the form of action in which such damages are sought, and the Warrant Agent's aggregate liability to the Company, or any of the Company's representatives or agents, under this Section 14(a) or under any other term or provision of this Agreement, whether in contract, tort, or otherwise, is expressly limited to, and shall not exceed in any circumstances, one (1) year's fees received by the Warrant Agent as fees and charges under this Agreement, but not including reimbursable expenses previously reimbursed to the Warrant Agent by the Company hereunder.

(b) *Agent for the Company.* In acting under this Warrant Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and does not assume any obligations or relationship of agency or trust for or with any of the Holders of Warrant Certificates or beneficial owners of Warrants.

(c) *Counsel*. The Warrant Agent may consult with counsel satisfactory to it, which may include counsel for the Company, and the written advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice of such counsel.

(d) *Documents.* The Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken or omitted by it in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(e) *Certain Transactions*. The Warrant Agent, and its officers, directors and employees, may become the owner of, or acquire any interest in, Warrants, with the same rights that it or they would have if it were not the Warrant Agent hereunder, and, to the extent permitted by applicable law, it or they may engage or be interested in any financial or other transaction with the Company and may act on, or as depositary, trustee or agent for, any committee or body of Holders of Warrant Securities or other obligations of the Company as freely as if it were not the Warrant Agent hereunder. Nothing in this Warrant Agreement shall be deemed to prevent the Warrant Agent from acting as trustee under any indenture to which the Company is a party.

(f) *No Liability for Interest.* Unless otherwise agreed with the Company, the Warrant Agent shall have no liability for interest on any monies at any time received by it pursuant to any of the provisions of this Agreement or of the Warrant Certificates.

(g) *No Liability for Invalidity.* The Warrant Agent shall have no liability with respect to any invalidity of this Agreement or the Warrant Certificates (except as to the Warrant Agent's countersignature thereon).

(h) *No Responsibility for Representations*. The Warrant Agent shall not be responsible for any of the recitals or representations herein or in the Warrant Certificate (except as to the Warrant Agent's countersignature thereon), all of which are made solely by the Company.

(i) *No Implied Obligations.* The Warrant Agent shall be obligated to perform only such duties as are herein and in the Warrant Certificates specifically set forth and no implied duties or obligations shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall not be under any obligation to take any action hereunder which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any of the Warrant Certificates authenticated by the Warrant Agent and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the Warrant Certificate. The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained herein or in the Warrant Certificates or in the case of the receipt of any written demand from a Holder of a Warrant Certificate with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law.

Section 15. Purchase or Consolidation or Change of Name of Warrant Agent. Any corporation into which the Warrant Agent or any successor Warrant Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Warrant Agent or any successor Warrant Agent shall be party, or any corporation succeeding to the corporate trust business of the Warrant Agent or any successor Warrant Agent, shall be the successor to the Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Warrant Agent under the provisions of Section 17. In case at the time such successor Warrant Agent shall succeed to the agency created by this Agreement any of the Warrant Certificates shall have been countersigned but not delivered, any such successor Warrant Agent may adopt the countersignature of the predecessor Warrant Agent and deliver such Warrant Certificates so countersigned; and in case at that time any of the Warrant Certificates shall not have been countersigned, any successor Warrant Agent may countersign such Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the successor Warrant Agent; and in all such cases such Warrant Certificates shall have the full force provided in the Warrant Certificates and in this Agreement.

In case at any time the name of the Warrant Agent shall be changed and at such time any of the Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent may adopt the countersignature under its prior name and deliver such Warrant Certificates so countersigned; and in case at that time any of the Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Warrant Certificates either in its prior name or in its changed name; and in all such cases such Warrant Certificates shall have the full force provided in the Warrant Certificates and in this Agreement.

Section 16. Duties of Warrant Agent. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company, by its acceptance hereof, shall be bound:

(a) The Warrant Agent may consult with legal counsel reasonably acceptable to the Company (who may be legal counsel for the Company), and the opinion of such counsel shall be full and complete authorization and protection to the Warrant Agent as to any action taken or omitted by it in good faith and in accordance with such opinion.

(b) Whenever in the performance of its duties under this Agreement the Warrant Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by the Chief Executive Officer, Chief Financial Officer or Vice President of the Company; and such certificate shall be full authentication to the Warrant Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.

(c) Subject to the limitation set forth in Section 14, the Warrant Agent shall be liable hereunder only for its own gross negligence or willful misconduct, or for a breach (other than inadvertent immaterial breaches) by it of this Agreement.

(d) The Warrant Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the Warrant Certificate (except its countersignature thereof) by the Company or be required to verify the same, but all such statements and recitals are and shall be deemed to have been made by the Company only.

(e) The Warrant Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Warrant Agent) or in respect of the validity or execution of any Warrant Certificate (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Agreement or in any Warrant Certificate; nor shall it be responsible for the adjustment of the Exercise Price or the making of any change in the number of shares of Common Stock required under the provisions of Section 11 or 13 or responsible for the manner, method or amount of any such change or the ascertaining of the existence of facts that would require any such adjustment or change (except with respect to the exercise of Warrants evidenced by the Warrant Certificates after actual notice of any adjustment of the Exercise Price); nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any shares of Common Stock to be issued pursuant to this Agreement or any Warrant Certificate or as to whether any shares of Common Stock will, when issued, be duly authorized, validly issued, fully paid and nonassessable.

(f) Each party hereto agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the other party hereto for the carrying out or performing by any party of the provisions of this Agreement.

(g) The Warrant Agent is hereby authorized to accept instructions with respect to the performance of its duties hereunder from the Chief Executive Officer, Chief Financial Officer or Vice President of the Company, and to apply to such officers for advice or instructions in connection with its duties, and it shall not be liable and shall be indemnified and held harmless for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer, provided Warrant Agent carries out such instructions without gross negligence or willful misconduct.

(h) The Warrant Agent and any shareholder, director, officer or employee of the Warrant Agent may buy, sell or deal in any of the Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Warrant Agent under this Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

(i) The Warrant Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorney or agents, and the Warrant Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorney or agents or for any loss to the Company resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

Section 17. Change of Warrant Agent. The Warrant Agent may resign and be discharged from its duties under this Agreement upon 30 days' notice in writing sent to the Company and to each transfer agent of the Common Stock, and to the Holders of the Warrant Certificates. The Company may remove the Warrant Agent or any successor Warrant Agent upon 30 days' notice in writing, sent to the Warrant Agent or successor Warrant Agent, as the case may be, and to each transfer agent of the Common Stock, and to the Holders of the Warrant Certificates. If the Warrant Agent shall resign or be removed or shall otherwise become incapable of acting, the Company shall appoint a successor to the Warrant Agent. If the

Company shall fail to make such appointment within a period of 30 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Warrant Agent or by the Holder of a Warrant Certificate (who shall, with such notice, submit his Warrant Certificate for inspection by the Company), then the Holder of any Warrant Certificate may apply to any court of competent jurisdiction for the appointment of a new Warrant Agent, provided that, for purposes of this Agreement, the Company shall be deemed to be the Warrant Agent until a new warrant agent is appointed. Any successor Warrant Agent, whether appointed by the Company or by such a court, shall be a corporation organized and doing business under the laws of the United States or of a state thereof, in good standing, which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by federal or state authority and which has at the time of its appointment as Warrant Agent a combined capital and surplus of at least $50,000,000. After appointment, the successor Warrant Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Warrant Agent without further act or deed; but the predecessor Warrant Agent shall deliver and transfer to the successor Warrant Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Company shall file notice thereof in writing with the predecessor Warrant Agent and each transfer agent of the Common Stock, and mail a notice thereof in writing to the Holders of the Warrant Certificates. However, failure to give any notice provided for in this Section 17, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Warrant Agent or the appointment of the successor Warrant Agent, as the case may be.

Section 18. Issuance of New Warrant Certificates. Notwithstanding any of the provisions of this Agreement or of the Warrants to the contrary, the Company may, at its option, issue new Warrant Certificates evidencing Warrants in such form as may be approved by its Board of Directors to reflect any adjustment or change in the Exercise Price per share and the number or kind or class of shares of stock or other securities or property purchasable under the several Warrant Certificates made in accordance with the provisions of this Agreement.

Section 19. Notices. Notices or demands authorized by this Agreement to be given or made (i) by the Warrant Agent or by the Holder of any Warrant Certificate to or on the Company, (ii) subject to the provisions of Section 17, by the Company or by the Holder of any Warrant Certificate to or on the Warrant Agent or (iii) by the Company or the Warrant Agent to the Holder of any Warrant Certificate shall be deemed given (a) on the date delivered, if delivered personally, (b) on the first Business Day following the deposit thereof with Federal Express or another recognized overnight courier, if sent by Federal Express or another recognized overnight courier, (c) on the fourth Business Day following the mailing thereof with postage prepaid, if mailed by registered or certified mail (return receipt requested), and (d) the time of transmission, if such notice or communication is delivered via facsimile or email attachment at or prior to 5:30 p.m. (New York City time) on a Business Day and (e) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile or email attachment on a day that is not a Business Day or later than 5:30 p.m. (New York City time) on any Business Day, in each case to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) **If to the Company, to:**

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
E-mail: rrussell@gipreit.com
Attention: Attention Richard Russell, Chief Financial Officer

Copy to:

Foley & Lardner LLP
100 North Tampa St., Suite 2700
Tampa, Florida 33602
E-mail: ccreely@foley.com
Attention: Curt Creely, Esq.

(b) **If to the Warrant Agent, to**

VStock Transfer, LLC
18 Lafayette Place,
Woodmere, NY 11598
E-mail: [__]
Attention: [__]

For any notice delivered by email to be deemed given or made, such notice must be followed by notice sent by overnight courier service to be delivered on the next business day following such email, unless the recipient of such email has acknowledged via return email receipt of such email.

(c) If to the Holder of any Warrant Certificate to the address of such Holder as shown on the registry books of the Company. Any notice required to be delivered by the Company to the Holder of any Warrant may be given by the Warrant Agent on behalf of the Company. Notwithstanding any other provision of this Agreement, where this Agreement provides for notice of any event to a Holder of any Warrant, such notice shall be sufficiently given if given to the Depositary (or its designee) pursuant to the procedures of the Depositary or its designee.

Section 20. Supplements and Amendments.

(a) The Company and the Warrant Agent may from time to time supplement or amend this Agreement without the approval of any Holders of Global Warrants in order to add to the covenants and agreements of the Company for the benefit of the Holders of the Global Warrants or to surrender any rights or power reserved to or conferred upon the Company in this Agreement, provided that such addition or surrender shall not adversely affect the interests of the Holders of the Global Warrants or Warrant Certificates in any material respect.

(b) In addition to the foregoing, with the consent of Holders of Warrants entitled, upon exercise thereof, to receive not less than a majority of the shares of Common Stock issuable thereunder, the Company and the Warrant Agent may modify this Agreement for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Warrant Agreement or modifying in any manner the rights of the Holders of the Global Warrants; provided, however, that no modification of the terms (including but not limited to the adjustments described in Section 11) upon which the Warrants are exercisable or the rights of Holders of Warrants to receive liquidated damages or other payments in cash from the Company or reducing the percentage required for consent to modification of this Agreement may be made without the consent of the Holder of each outstanding Warrant Certificate affected thereby; provided further, however, that no amendment hereunder shall affect any terms of any Warrant Certificate issued in a Warrant Exchange. As a condition precedent to the Warrant Agent's execution of any amendment, the Company shall deliver to the Warrant Agent a certificate from a duly authorized officer of the Company that states that the proposed amendment complies with the terms of this Section 20.

Section 21. Successors. All covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 22. Benefits of this Agreement. Nothing in this Agreement shall be construed to give any Person other than the Company, the Holders of Warrant Certificates and the Warrant Agent any legal or equitable right, remedy or claim under this Agreement. This Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the Holders of the Warrant Certificates. Notwithstanding anything to the contrary contained herein, to the extent any provision of a Warrant Certificate conflicts with any provision of this Agreement, the provisions of the Warrant Certificate shall govern and be controlling.

Section 23. Governing Law. This Agreement and each Warrant Certificate and Global Warrant issued hereunder shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the conflicts of law principles thereof. Any action brought by any party hereto shall be brought within the State of New York, Suffolk Country.

Section 24. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 25. Captions. The captions of the sections of this Agreement have been inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 26. Information. The Company agrees to promptly provide to the Holders of the Warrants any information it provides to the holders of the Common Stock, except to the extent any such information is publicly available on the EDGAR system (or any successor thereof) of the Securities and Exchange Commission.

[SIGNATURE PAGE FOLLOWS]

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

GENERATION INCOME PROPERTIES, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

VSTOCK TRANSFER, LLC

By: _____
Name:
Title:

[*signature page to Warrant Agency Agreement*]

Exhibit 1

Form of Warrant Certificate

Exhibit 2
Form of Warrant Certificate Request Notice

WARRANT CERTIFICATE REQUEST NOTICE

To: VStock Transfer, LLC, as Warrant Agent for Generation Income Properties, Inc. (the "Company")

The undersigned Holder of Common Stock Purchase Warrants ("Warrants") in the form of Global Warrants issued by the Company hereby elects to receive a Warrant Certificate evidencing the Warrants held by the Holder as specified below:

1. Name of Holder of Warrants in form of Global Warrants: _____

2. Name of Holder in Warrant Certificate (if different from name of Holder of Warrants in form of Global Warrants):

_____

3. Number of Warrants in name of Holder in form of Global Warrants: _____

4. Number of Warrants for which Warrant Certificate shall be issued: _____

5. Number of Warrants in name of Holder in form of Global Warrants after issuance of Warrant Certificate, if any: _____

6. Warrant Certificate shall be delivered to the following address:

_____

_____

_____

_____

The undersigned hereby acknowledges and agrees that, in connection with this Warrant Exchange and the issuance of the Warrant Certificate, the Holder is deemed to have surrendered the number of Warrants in form of Global Warrants in the name of the Holder equal to the number of Warrants evidenced by the Warrant Certificate.

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: _____

Exhibit 3
Form of Global Warrant Request Notice

GLOBAL WARRANT REQUEST NOTICE

To: VStock Transfer, LLC, as Warrant Agent for Generation Income Properties, Inc. (the "Company")

The undersigned Holder of Common Stock Purchase Warrants ("Warrants") in the form of Warrants Certificates issued by the Company hereby elects to receive a Global Warrant evidencing the Warrants held by the Holder as specified below:

1. Name of Holder of Warrants in form of Warrant Certificates: _____

2. Name of Holder in Global Warrant (if different from name of Holder of Warrants in form of Warrant Certificates):

_____

3. Number of Warrants in name of Holder in form of Warrant Certificates: _____

4. Number of Warrants for which Global Warrant shall be issued: _____

5. Number of Warrants in name of Holder in form of Warrant Certificates after issuance of Global Warrant, if any: _____

6. Global Warrant shall be delivered to the following address:

_____

_____

_____

_____

The undersigned hereby acknowledges and agrees that, in connection with this Global Warrants Exchange and the issuance of the Global Warrant, the Holder is deemed to have surrendered the number of Warrants in form of Warrant Certificates in the name of the Holder equal to the number of Warrants evidenced by the Global Warrant.

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: _____

Exhibit 4

Warrant Agent Fee Schedule

[_____]

Exhibit 5.1

FOLEY & LARDNER LLP

ATTORNEYS AT LAW

100 NORTH TAMPA STREET, SUITE 2700
TAMPA, FL 33602-5810
P.O. BOX 3391
TAMPA, FL 33601-3391
813.229.2300 TEL
813.221.4210 FAX
WWW.FOLEY.COM

June 17, 2021

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602

Re: Registration Statement on Form S-11

Ladies and Gentlemen:

We are acting as counsel to Generation Income Properties, Inc., a Maryland corporation (the "Company"), in connection with the registration under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a Registration Statement on Form S-11 (Registration No. 333-235707) (as amended, the "Registration Statement") as filed with the Securities and Exchange Commission (the "Commission"), of the offering by the Company of the following securities (the "Offered Securities"):

1. Up to $17,250,000 worth of Units (including the over-allotment option described in the Registration Statement) to be offered and sold by the Company with each Unit to consist of:

a. one (1) share common stock, $0.01 par value per share (all shares of common stock of the Company contained within the Units shall be referred to as the "Shares"); and

b. one (1) warrant to purchase one (1) share of common stock of the Company (all warrants contained within the Units shall be referred to as the "Warrants") at an exercise price equal to the public offering price per Unit;

2. The shares of common stock of the Company, par value $0.01 per share, issuable upon exercise of the Warrants (the "Warrant Shares");

3. Warrants to purchase a number of shares of common stock of the Company equal to 9% of the number of Shares sold in the Offering, at an exercise price equal to 125% of the public offering price of the Units, to be issued to Maxim Group, LLC or its designees (the "Underwriter Warrants"); and

4. The shares of common stock of the Company, par value $0.01 per share, issuable upon exercise of the Underwriter Warrants (the "Underwriter Warrant Shares")

The Offered Securities are to be sold by the Company pursuant to an underwriting agreement (the "Underwriting Agreement") to be entered into by and between the Company and Maxim Group, LLC, as representative of the underwriters named therein, the form of which has been filed as Exhibit 1.1 to the Registration Statement.

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents and public records as we considered necessary for the purposes of this opinion, including the following (collectively, the "Documents"):

1. The Amended and Restated Articles of Incorporation, as amended, of the Company (the "Charter"), certified as of the date hereof by the Secretary of the Company;

2. The Bylaws of the Company, as amended, certified as of the date hereof by the Secretary of the Company;

3. Resolutions adopted by the Board of Directors of the Company (the "Board") relating to the registration, sale and issuance of the Offered Securities, certified as of the date hereof by the Secretary of the Company (the "Board Resolutions");

4. The form of certificate to be used by the Company to evidence the shares of Common Stock when and as issued, filed as Exhibit 4.2 to the Registration Statement;

5. The form of Warrant and form of Warrant Agent Agreement filed as Exhibits 4.9 and 4.10, respectively, to the Registration Statement.

6. The form of Underwriters' Warrant filed as Exhibit 4.8 to the Registration Statement; and

7. A certificate executed by David Sobelman, Secretary of the Company, dated as of the date hereof.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.

2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.

3. Each of the parties (other than the Company) executing any of the Documents has caused to be duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party's obligations (including the Company's) set forth therein are legal, valid and binding.

4. All Documents submitted to us as originals are authentic. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all such Documents are genuine. All public records and certificates of public officials reviewed or relied upon by us or on our behalf are true and complete. All statements and information contained in the Documents are true and complete. There has been no oral or written modification or amendment to the Documents, or waiver of any provision of the Documents, by action or omission of the parties or otherwise.

5. The Offered Securities will not be issued or transferred in violation of any restriction or limitation on transfer or ownership of Shares (as defined in the Charter) contained in Section 4.05 of the Charter.

6. The Company will issue the Offered Securities in accordance with the Board Resolutions, and both as of the date hereof and prior to the issuance of any Offered Securities, the Company will have available for issuance, under the Charter, the requisite number of authorized but unissued shares of Common Stock for the issuance of the Offered Securities.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that, (i) upon issuance and delivery of the Shares as contemplated by the Board Resolutions and upon payment therefor pursuant to the terms of the Underwriting Agreement following effectiveness of the Registration Statement, the Shares will be duly authorized, validly issued, fully paid and non-assessable; (ii) the Warrants, when issued and delivered by the Company in accordance with the Underwriting Agreement, will constitute binding obligations of the Company in accordance with their terms; (iii) the Warrant Shares, when issued and sold in accordance with the terms and conditions of the Warrants, will be validly issued, fully paid and non-assessable; (iv) the Underwriter Warrants, when issued and delivered by the Company in accordance with the Underwriting Agreement, will constitute binding obligations of the Company in accordance with their terms; and (v) the Underwriter Warrant Shares, when issued and sold in accordance with the terms and conditions of the Underwriter Warrants, will be validly issued, fully paid and non-assessable.

The foregoing opinion is limited solely to the Maryland General Corporation Law, as amended, and we do not express any opinion herein concerning any other laws, statutes, ordinances, rules, or regulations. We express no opinion as to compliance with the securities (or "blue sky") laws of the State of Maryland. The opinion expressed herein is subject to the effect of judicial decisions that may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

This opinion is issued as of the date hereof, and we assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might affect the opinion expressed herein after the date hereof. This opinion is limited to the matters set forth herein, and no other opinion should be inferred beyond the matters expressly stated.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of the name of our Firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act.

Very truly yours,

/s/ Foley & Lardner LLP

Foley & Lardner LLP

FOLEY & LARDNER LLP

June 17, 2021

Via E-Mail and U.S. Mail

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602

Re: Opinion of Foley & Lardner LLP as to Tax Matters

Ladies and Gentlemen:

We have acted as counsel to Generation Income Properties, Inc., a Maryland corporation (the "Company"), with respect to certain United States federal income tax matters in connection with the filing of its registration statement on Form S-11 (the "Registration Statement) with the Securities and Exchange Commission (the "Commission") on the date hereof relating to the issuance of units, each unit consisting of one share of common stock, $0.01 par value per share and one warrant to purchase one share of common stock (the "Units"). In connection with the Registration Statement, we have been asked to provide an opinion regarding (i) the classification of the Company as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code")[1]; and (ii) the accuracy and fairness of the discussion in the Registration Statement under the caption "Material U.S. Federal Income Tax Considerations". Capitalized terms not defined herein shall have the meanings ascribed to them in the Registration Statement.

In rendering our opinions, we have made such factual and legal examinations, including an examination of such statutes, regulations, records, certificates and other documents as we have considered necessary or appropriate, including, but not limited to, the following: (1) the Registration Statement (including exhibits thereto); (2) the Articles of Incorporation of the Company, as amended through the date hereof; and (3) the Agreement of Limited Partnership of Generation Income Properties, L.P., a Delaware limited partnership (the "Operating Partnership"), dated March 23, 2018, and any amendments thereto through the date hereof. The opinions set forth in this letter also are based on certain written factual representations and covenants made by an officer of the Company, in the Company's own capacity and in its capacity as the general partner of the Operating Partnership, in a letter to us of even date herewith (the "Officer's Certificate") (collectively, the Officer's Certificate, and the documents described in the immediately preceding sentence are referred to herein as the "Transaction Documents").

In our review, we have assumed, with the consent of the Company and the Operating Partnership, that (i) all of the factual representations, covenants and statements set forth in the Transaction Documents are true, complete and correct, (ii) all of the obligations imposed by any such documents on the parties thereto have been and will be performed or satisfied in accordance with their terms; (iii) the Company and the Operating Partnership each will be operated in the manner described in the relevant Transaction Documents; and (iv) the Company and the Operating

[1] Unless otherwise stated, all section references herein are to the Code.

Partnership have valid legal existences under the laws of the states in which they were formed and have operated in accordance with the laws of such states. We have, consequently, assumed and relied on your representations that the information presented in the Transaction Documents (including, without limitation, the Officer's Certificate and the exhibits thereto) accurately and completely describe all material facts relevant to our opinion and that any representation of fact made "to the knowledge of" or similarly qualified is correct without such qualification. To the extent the representations and covenants speak to the intended ownership or operations of the Company or the Operating Partnership, we have assumed that the Company or Operating Partnership, as the case may be, will in fact be owned and operated in accordance with such stated intent. We have not undertaken any independent inquiry into, or verification of, these facts for the purpose of rendering this opinion. While we have reviewed all representations made to us to determine their reasonableness, we have no assurance that they are or will ultimately prove to be accurate. No facts have come to our attention, however, that would cause us to question the accuracy or completeness of such facts or representations in a material way. Our opinion is conditioned on the continuing accuracy and completeness of such representations, covenants and statements. Any material change or inaccuracy in the facts referred to, set forth, or assumed herein or in the Transaction Documents may affect our conclusions set forth herein.

We also have assumed the legal capacity of all natural persons, the genuineness of all signatures, the proper execution of all documents, the legal capacity of signatories, the authenticity of all documents submitted to us as originals, the conformity to originals of documents submitted to us as copies, and the authenticity of the originals from which any copies were made. For documents that have been provided to us in draft form, we have assumed that the final executed versions of such documents will not differ materially from such drafts.

Based upon, and subject to, the foregoing assumptions and qualifications and the discussion below, we are of the opinion that:

1. Commencing with the Company's taxable year ending on December 31, 2021, the Company will have been organized and operated in conformity with requirements for qualification and taxation as a REIT under the Code, and the Company's current and proposed method of operation will enable it to meet the requirements for qualification and taxation as a REIT for its taxable year ending on December 31, 2021 and thereafter, assuming the Company's election to be treated as a REIT and certain other procedural steps referred to in the Registration Statement and Officer's Certificate are completed by the Company in a timely fashion, and such REIT election is not either revoked or intentionally terminated under the Code; and

2. The discussion in the Registration Statement under the caption "Material U.S. Federal Income Tax Considerations," to the extent it constitutes matters of law, summaries of legal matters or legal conclusions, is correct in all material respects and fairly summarizes the U.S. federal income tax considerations that are likely to be material to a holder of the Company's Units, subject to the qualifications set forth therein.

We express no opinion on any issue relating to the Company, the Operating Partnership or the discussion in the Registration Statement under the caption "Material U.S. Federal Income Tax Considerations" other than as expressly stated above.

We undertake no obligation to update this opinion, or to ascertain after the date hereof whether circumstances occurring after such date may affect the conclusions set forth herein. We express no opinion as to matters governed by any laws other than the Code, the Treasury Regulations, published administrative announcements and rulings of the Internal Revenue Service ("IRS"), and court decisions.

The Company's qualification and taxation as a REIT will depend upon the Company's ability to meet on a continuing basis, through actual annual operating and other results, the various requirements under the Code as described in the Registration Statement with regard to, among other things, the sources of its gross income, the composition of its assets, the level of its distributions to stockholders, and the diversity of its stock ownership. Foley & Lardner LLP will not review the Company's compliance with these requirements on a continuing basis. Accordingly, no assurance can be given that the actual results of the operations of the Company and the Operating Partnership, the sources of their income, the nature of their assets, the level of the Company's distributions to stockholders and the diversity of its stock ownership for any given taxable year will satisfy the requirements under the Code for the Company's qualification and taxation as a REIT. To the extent that the facts differ from those represented to or assumed by us herein, our opinion should not be relied upon.

The foregoing opinions are based on relevant provisions of the Code, Treasury Regulations issued thereunder (including Proposed and Temporary Regulations), and interpretations of the foregoing as expressed in court decisions, administrative determinations, and the legislative history as of the date hereof. These provisions and interpretations are subject to differing interpretations or change at any time, which may or may not be retroactive in effect, and which might result in modifications of our opinions. In this regard, an opinion of counsel with respect to an issue represents counsel's best judgment as to the outcome on the merits with respect to such issue, is not binding on the IRS or the courts, and is not a guarantee that the IRS will not assert a contrary position with respect to an issue, or that a court will not sustain such a position if asserted by the IRS. The IRS has not issued Regulations or administrative interpretations with respect to various provisions of the Code relating to REIT qualification. No assurance can be given that the law will not change in a way that will prevent the Company from qualifying as a REIT or that may change the other legal conclusions stated herein. As described in the Registration Statement, the Company's qualification and taxation as a REIT depend upon the Company's ability to meet the various qualification tests imposed under the Code, including through actual annual operating results, asset

composition, distribution levels and diversity of stock ownership, the results of which have not been and will not be reviewed by Foley & Lardner LLP. Accordingly, no assurance can be given that the actual results of the Company's operation for any particular taxable year will satisfy such requirements.

The foregoing opinions are limited to the United States federal income tax matters addressed herein, and no other opinions are rendered with respect to other United States federal tax matters or to any issues arising under the tax laws of any other country, or any state or locality. This opinion letter is rendered to you for your use in connection with the Registration Statement and may be relied upon solely by you and the purchasers of the units pursuant to the Registration Statement, and it speaks only as of the date hereof. Except as provided in the next paragraph, this opinion letter may not be distributed, quoted in whole or in part or otherwise reproduced in any document, filed with any governmental agency, or relied upon by any other person for any other purpose (other than as required by law) without our express written consent.

We consent to the use of our name under the captions "Material U.S. Federal Income Tax Considerations" and "Legal Matters" in the Registration Statement and to the use of these opinions for filing as Exhibit 8.1 to the Registration Statement. In giving this consent, we do not hereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ FOLEY & LARDNER LLP

Exhibit 10.17.2

SECOND AMENDMENT TO
EMPLOYMENT AGREEMENT

This Second Amendment to Employment Agreement ("Second Amendment") is entered into as of June 9, 2020 (the "Effective Date") by and between **GENERATION INCOME PROPERTIES, INC.**, a Maryland corporation (the "Company") and **RICHARD RUSSELL** ("Mr. Russell").

RECITALS

A. The Company and Mr. Russell are parties to that certain Employment Agreement dated as of December 20, 2019 (the "Original Employment Agreement").

B. The parties hereto desire to enter into this Second Amendment to amend certain provisions related to Mr. Russell's compensation.

C. All other provisions of the Original Employment Agreement unrelated to the changes indicated below will remain the same.

NOW, THEREFORE, in consideration of the mutual agreements and understandings contained herein and intending to be legally bound, the Original Employment Agreement is amended as provided herein and the parties hereto agree as follows:

1. Amendment of Section 3. Section 3 of the Original Employment Agreement is hereby amended and replaced in its entirety as follows:

3. **Compensation**

(a) Payment in Shares of Company Stock. Employee will be compensated in the amount of 550 shares of the Company's common stock, par value $0.01 per share (the "Common Stock"), per month (the "Shares"). The Shares will be fully vested on receipt by Employee, and the Shares will be paid to Employee in quarterly installments in arrears; provided that, except to the extent otherwise required by applicable law, Employee shall be entitled to the Shares only if Employee pays to the Company, prior to the quarterly payment date for the Shares, a cash amount sufficient to cover any applicable withholding and payroll taxes that the Company is required to withhold or remit in connection with the Shares or make other arrangements satisfactory to the Company to cover such taxes; and provided further that, if Employee does not pay such amount or make such other arrangements prior to the payment date for the Shares, then Employee shall forfeit the right to receive such Shares. Upon termination of Employee's employment for any reason, any accrued but unpaid Shares, calculated on a pro rata basis, shall be paid within thirty (30) days of such termination if Employee has paid an amount of cash or made other arrangement satisfactory to the Company to cover applicable withholding and payroll taxes by such day. The Shares shall be "restricted securities" within the meaning of Rule 144 under the Securities Act of 1933, as amended, and will bear a restrictive legend to indicate such.

The compensation set forth in this paragraph shall terminate upon the closing of an initial underwritten public offering by the Company and the Employee will then be paid under the original employment agreement dated December 20, 2019.

2. Continuation of Original Employment Agreement. Except as expressly modified and amended herein, the Original Employment Agreement remains in full force and effect.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties have executed this Second Amendment as of the date first above written.

COMPANY:

GENERATION INCOME PROPERTIES, INC.

By /s/ David Sobelman
David Sobelman
President and Chairman of the Board

MR. RUSSELL:
/s/ Richard Russell
RICHARD RUSSELL

Exhibit 10.30

STOCK REDEMPTION AGREEMENT

THIS STOCK REDEMPTION AGREEMENT ("Agreement") is entered into as of June 10, 2021 and is by and among Generation Income Properties, Inc., a Maryland corporation (the "Corporation"), and David Sobelman (the "Seller").

Recitals

WHEREAS, the Seller is the Chairman of the Board of Directors, President, Chief Executive Officer, Secretary and Assistant Treasurer of the Corporation and as of the date hereof beneficially owns 225,004 shares of common stock, $0.01 par value per share ("Common Stock"), of the Corporation;

WHEREAS, the Corporation is currently contemplating a registered underwritten public offering to raise additional capital and toup-list to a national securities exchange as described in the Corporation's Form S-11 Registration Statement (File No. 333-235707) initially filed on December 26, 2019, as amended from time to time (the "Planned Public Offering"); and

WHEREAS, in order to facilitate the Planned Public Offering, at the Effective Time (as defined below), the Corporation desires to repurchase from the Seller and the Seller desires to sell to the Corporation 112,500 shares of the Seller's Common Stock (the "Shares") pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, including but not limited to the benefit to the Seller if the Planned Public Offering is completed, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Sale and Purchase of the Shares. Subject to the terms and conditions set forth in this Agreement, effective simultaneously with the execution by the Corporation of an underwriting agreement in connection with the Planned Public Offering (the "Effective Time"), the Seller hereby sells, transfers, assigns and delivers to the Corporation, and the Corporation hereby purchases from the Seller, free and clear of all liens, charges and encumbrances, the Shares for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, including but not limited to the benefit to the Seller as a result of the Planned Public Offering. Notwithstanding the foregoing, this Agreement shall automatically terminate and be of no further force or effect if (i) the Planned Public Offering is abandoned by the Corporation or (ii) the Effective Time has not occurred on or prior to September 30, 2021.

2. Representations and Warranties. The Seller represents and warrants to the Corporation that (i) the Seller is the sole owner of the Shares and, at the Effective Time, the Corporation shall receive good and marketable title to the Shares free and clear of all liens, claims, security interests, installment sales and encumbrances of any kind; (ii) the Recitals in this Agreement are true and correct; (iii) the consideration to be received by the Seller from the sale of the Shares is adequate and sufficient in all respects; (iv) the Seller has the authority to execute and deliver this Agreement and to consummate the transaction contemplated hereby; and (v) the execution and delivery by the Seller of this Agreement and the consummation of the transactions contemplated hereby do not conflict with or violate the terms of any contract, indenture, mortgage, loan agreement or other agreement to which such Seller is a party or to which the Seller is subject.

3. Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Florida.

4. Survival. All warranties and representations and other agreements of the parties contained in this Agreement shall survive the execution, delivery, performance, and termination of this Agreement and shall continue in full force and effect after the Effective Time.

5. Counterparts. This Agreement may be executed in any number of identical counterparts, any or all of which may contain the signatures of fewer than all of the parties but all of which shall be taken together as a single instrument.

6. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, including but not limited to the prior Stock Redemption Agreement between the parties dated as of March 31, 2020.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

Generation Income Properties, Inc.

By: /s/ Richard Russell
Name: Richard Russell
Its: Chief Financial Officer and Treasurer

David Sobelman

/s/ David Sobelman
Print Name: David Sobelman

Exhibit 10.37

TAX PROTECTION AGREEMENT

THIS TAX PROTECTION AGREEMENT (this "Agreement") is made and entered into as of the 30th day of September, 2019 by and among GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership (the "Partnership"), GENERATION INCOME PROPERTIES, INC., a Maryland corporation (the "REIT"), and the sole general partner of the Partnership, and RIVERSIDE CROSSING, L.C., a Virginia limited liability company, as contributor (the "Contributor" and, together with the Partnership and the REIT, the "Parties").

WHEREAS, the Contributor, pursuant to that certain Contribution and Subscription Agreement, dated the date hereof, by and between the Contributor and the Partnership (the "Contribution Agreement"), is contributing the Property (the "Contribution") to the Partnership in exchange for common units of limited partnership interest in the Partnership ("OP Units");

WHEREAS, it is intended for federal income tax purposes that the Contribution for OP Units will be treated in part as a tax-deferred contribution of the Property to the Partnership for OP Units under Section 721 of the Code;

WHEREAS, in consideration for the agreement of the Contributors to make the Contribution, the Parties desire to enter into this Agreement regarding certain tax matters as set forth herein; and

WHEREAS, the REIT and the Partnership desire to evidence their agreement regarding amounts that may be payable in the event of certain actions being taken by the Partnership regarding the disposition of the Property, and regarding certain minimum debt obligations of the Partnership and its subsidiaries.

NOW, THEREFORE, in consideration of the promises and the mutual representations, warranties, covenants and agreements contained herein and in the Contribution Agreement, the Parties hereby agree as follows:

Article 1
DEFINITIONS

To the extent not otherwise defined herein, capitalized terms used in this Agreement have the meanings ascribed to them in the Partnership Agreement (as defined below).

"Accounting Firm" has the meaning set forth in the Section 4.2.

"Agreement" has the meaning set forth in the Preamble.

"Book Gain" means any gain that would not be required under Section 704(c) of the Code and the applicable regulations to be specially allocated to the Protected Partners for federal income tax purposes (for example, any gain attributable to appreciation in the actual value of the Gain Limitation Property following the Closing Date or any gain resulting from reductions in the "book value" of the Gain Limitation Property following the Closing Date).

"Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Cash Consideration" has the meaning set forth in Section 2.1(a).

"Closing Date" means the date on which the Contribution will be effective.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contribution" has the meaning set forth in the Recitals.

"Contribution Agreement" has the meaning set forth in the Recitals.

"Debt Guarantee" means a guarantee in such form as may be acceptable to the Protected Partners, the Partnership, and the applicable lender to which such guarantee relates.

"Existing Property Debt" means the indebtedness to which the Property was subject immediately prior to the time of the Contribution of such Property.

"Final Determination" means (i) a decision, judgment, decree or other order by any court of competent jurisdiction, which decision, judgment, decree or other order has become final after all allowable appeals by either party to the action have been exhausted or after the time for filing such appeals has expired, (ii) a binding settlement agreement entered into in connection with an administrative or judicial proceeding, (iii) the expiration of the time for instituting a claim for refund, or if such a claim was filed, the expiration of the time for instituting suit with respect thereto or (iv) the expiration of the time for instituting suit with respect to a claimed deficiency.

"Gain Limitation Property" means (i) each property or asset identified on Schedule 2.1(b) hereto as a Gain Limitation Property; (ii) any direct or indirect interest owned by the Partnership in any entity that owns an interest in a Gain Limitation Property, if the disposition of that interest would result in the recognition of Protected Gain by a Protected Partner; and (iii) any other property that the Partnership directly or indirectly receives that is in whole or in part a "substituted basis property" as defined in Section 7701(a)(42) of the Code with respect to a Gain Limitation Property

"Guaranteed Liability" means any Nonrecourse Liability that is guaranteed, in whole or in part, by one or more Protected Partners in accordance with Section 3.1(b).

"Indirect Owner" means, in the case of a Protected Partner that is an entity that is classified as a partnership, disregarded entity or subchapter S corporation or real estate investment trust for federal income tax purposes, any person owning an equity interest in such Protected Partner, and in the case of any Indirect Owner that itself is an entity that is classified as a partnership, disregarded entity, subchapter S corporation or real estate investment trust for federal income tax purposes, any person owning an equity interest in such entity.

"Minimum Debt Amount" shall mean, with respect to each Gain Limitation Property, the Existing Property Debt minus any scheduled but unpaid amortization payments that would have been required to be paid under the terms of such Existing Property Debt prior to the maturity date of such Existing Property Debt (but not including payments otherwise due at maturity of such Existing Property Debt, which may be refinanced as applicable during the Tax Protection Period). The initial Minimum Debt Amount with respect to each Gain Limitation Property is set forth on Schedule 2.1(b) hereto, as amended and/or supplemented from time to time.

"Minimum Liability Amount" means each Protected Partner's "negative tax basis" as of the Closing Date, as set forth next to such Protected Partner's name on Schedule 3.1(a) hereto. The amounts reflected on Schedule 3.1(a) represent one hundred ten percent (110%) of the estimated "negative tax basis" as of the Closing Date. In addition, the Minimum Liability Amount shall be adjusted and allocated, proportionately and as appropriate, to take into account dispositions of OP Units to Indirect Owners and any direct or indirect partner, member or shareholder of the Protected Partner or Indirect Owner.

"Nonrecourse Liability" has the meaning set forth in Treasury Regulations Section 1.752-1(a)(2).

"OP Units" has the meaning set forth in the Recitals.

"Parties" has the meaning set forth in the Preamble.

"Partnership" has the meaning set forth in the Preamble.

"Partnership Agreement" means the Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of March 23, 2018, as amended, and as the same may be further amended in accordance with the terms thereof

"Partnership Interest Consideration" has the meaning set forth in Section 2.1(c).

"Property" has the meaning ascribed to such term in the Contribution Agreement.

"Protected Gain" shall mean the gain that would be allocable to and recognized by a Protected Partner for federal income tax purposes under Section 704(c) of the Code in the event of the sale of a Gain Limitation Property in a fully taxable transaction. The initial amount of Protected Gain with respect to each Protected Partner shall be determined as if the Partnership sold each Gain Limitation Property in a fully taxable transaction on the Closing Date for consideration equal to the Section 704(c) Value of such Gain Limitation Property on the Closing Date, and is set forth on Schedule 2.1(b) hereto. After the Closing Date, Protected Gain shall be reduced from time to time to reflect reductions in the "book-tax disparity" with respect to each Property in accordance with Treasury Regulations § 1.704-3 as provided in Article 6 below. Book Gain, including without limitation, any "reverse Section 704(c) gain" allocable to such Protected Partner pursuant to Treasury Regulations Section 1.704-3(a)(6), shall not be considered Protected Gain and for purposes of calculating the amount of Section 704(c) gain allocable to a Protected Partner shall not be taken into account unless, as a result of adjustments to the "book value" of any Gain Limitation Property pursuant to the Partnership Agreement or otherwise, all or a portion of the gain recognized by the Partnership that would have been Section 704(c) gain without regard to such adjustments becomes or is treated as "reverse Section 704(c) gain" or Section 704(b) gain under Section 704 of the Code, in which case such gain shall continue to be treated as Section 704(c) gain. In all events such Protected Gain shall not be greater than the Protected Gain as of the Closing Date after taking into account any gain required to be recognized by a Protected Partner as a result of the transactions contemplated by the Contribution Agreement.

"Protected Partner" means the Contributor, each Indirect Owner and any other person who (i) acquires OP Units from a Protected Partner in a transaction in which gain or loss is not recognized in whole or in part and in which such transferee's adjusted basis for federal income tax purposes is determined in whole or in part by reference to the adjusted basis of the Protected Partner in such OP Units, (ii) has notified the Partnership of its status as a Protected Partner and (iii) provides all documentation reasonably requested by the Partnership to verify such status (including any applicable debt guarantee), but excludes any person that ceases to be a Protected Partner pursuant to this Agreement.

"Section 704(c) Value" means the fair market value of any Gain Limitation Property as of the Closing Date, as set forth next to each Gain Limitation Property on Schedule 2.1(131 hereto. The Partnership shall initially carry the Gain Limitation Property on its books at a value equal to the Section 704(c) Value as set forth on Schedule 2.1(b).

"Subsidiary" means any entity in which the Partnership owns a direct or indirect interest that owns a Gain Limitation Property on the Closing Date or that thereafter is a successor to the Partnership's direct or indirect interests in a Gain Limitation Property.

"Successor Partnership" has the meaning set forth inSection 2.1(h).

"Tax Protection Period" means the period commencing on the Closing Date and ending on the seventh (7th) anniversary thereof; provided, however, that with respect to a Protected Partner, the Tax Protection Period shall terminate at such time as (i) such Protected Partner has disposed of eighty percent (80%) of the OP Units received on the Contribution in one or more taxable transactions; (ii) with respect to any OP Units acquired by a Protected Partner as a result of the death of another Protected Partner, if such death results in a step-up in the adjusted tax basis in such OP Units or (iii) there is a Final Determination that no portion of the Contribution qualified for tax-deferred treatment under Section 721 of the Code.

"Treasury Regulations" means the income tax regulations under the Code, whether such regulations are in proposed, temporary or final form, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Article 2
RESTRICTIONS ON DISPOSITIONS OF GAIN LIMITATION PROPERTIES

Section 2.1 Restrictions on Disposition of Gain Limitation Properties.

(a) General Prohibition. The Partnership agrees for the benefit of each Protected Partner, for the term of the Tax Protection Period, not to directly or indirectly sell, exchange, transfer, or otherwise dispose of a Gain Limitation Property or any interest therein, without regard to whether such disposition is voluntary or involuntary, in a transaction that would cause any Protected Partner to recognize any Protected Gain.

Without limiting the foregoing, the term "sale, exchange, transfer or disposition" by the Partnership shall be deemed to include, and the prohibition shall extend to:

(i) any direct or indirect disposition by any direct or indirect Subsidiary of any Gain Limitation Property or any interest therein;

(ii) any direct or indirect disposition by the Partnership of any Gain Limitation Property (or any direct or indirect interest therein) that is subject to Section 704(c)(1)(B) of the Code and the Treasury Regulations thereunder; and

(iii) any distribution by the Partnership to a Protected Partner that is subject to Section 737 of the Code and the Treasury Regulations thereunder.

Without limiting the foregoing, a disposition shall include any transfer, voluntary or involuntary, by the Partnership or any Subsidiary in a foreclosure proceeding, pursuant to a deed in lieu of foreclosure, or in a bankruptcy proceeding.

(b) Exceptions Where No Gain Recognized. Notwithstanding the restriction set forth in this Section 2.1, the Partnership and any Subsidiary may dispose of any Gain Limitation Property (or any interest therein) if such disposition qualifies as a "like-kind exchange" under Section 1031 of the Code, or an involuntary conversion under Section 1033 of the Code, or other transaction (including, but not limited to, a contribution of property to any entity that qualifies for the non-recognition of gain under Section 721 or Section 351 of the Code, or a merger or consolidation of the Partnership with or into another entity that qualifies for taxation as a "partnership" for federal income tax purposes (a "Successor Partnership")) that, as to each of the foregoing, does not result in the recognition of any taxable income or gain to any Protected Partner with respect to any of the OP Units; provided, however, that in the case of a "like-kind exchange" under Section 1031 of the Code, if such exchange is with a "related party" within the meaning of Section 1031(0(3) of the Code, any direct or indirect disposition by such related party of the Gain Limitation Property or any other transaction prior to the expiration of the two (2) year period following such exchange that would cause Section 1031(0(1) of the Code to apply with respect to such Gain Limitation Property (including by reason of the application of Section 1031(0(4) of the Code) shall be considered a violation of this Section 2.1 by the Partnership.

(c) Other Exceptions. Notwithstanding the foregoing, this Section 2.1 shall not apply to:

(i) a voluntary, actual disposition by a Protected Partner of OP Units in connection with a merger or consolidation of the Partnership pursuant to which (1) the Protected Partner is offered as consideration for the OP Units either cash or property treated as cash pursuant to Section 731 of the Code ("Cash Consideration") or partnership interests and the receipt of such partnership interests would not result in the recognition of gain for federal income tax purposes by the Protected Partner ("Partnership Interest Consideration"); (2) the Protected

Partner has the right to elect to receive solely Partnership Interest Consideration in exchange for its OP Units, and the continuing partnership (or other successor to the assets of the Partnership) has agreed in writing to assume the obligations of the Partnership under this Agreement; (3) no Protected Gain is recognized by the Partnership as a result of any partner of the Partnership receiving Cash Consideration; and (4) the Protected Partner elects or is deemed to elect to receive solely Cash Consideration;

(ii) the recognition of Protected Gain by a Protected Partner as a result of (i) the Tax positions taken by the initial Protected Partner prior to the date of the Contribution, or (ii) changes in Tax law made or enacted after the Closing Date.

Article 3
ALLOCATION OF NONRECOURSE LIABILITIES

Section 3.1 Allocation of Nonrecourse Liabilities.

(a) During the Tax Protection Period, pursuant to Treasury RegulationsSection 1.752-3(a)(2) and (3), with respect to each Gain Limitation Property then held directly or indirectly by the Partnership, the Partnership shall maintain, directly or indirectly, an amount of Nonrecourse Liabilities secured by such Gain Limitation Property or to which the Gain Limitation Property is otherwise subject for purposes of Treasury Regulations Section 1.752-3(a) in an amount that is not less than the Minimum Debt Amount with respect to such Gain Limitation Property, and the Partnership shall allocate such Nonrecourse Liabilities to the Protected Partners in accordance with Section 752 of the Code and the Treasury Regulations. Schedule 3.1(a) hereto sets forth, with respect to each Gain Limitation Property, each Protected Partner's Minimum Liability Amount with respect to such Gain Limitation Property. To the extent a Protected Partner must guarantee (in accordance with Section 3.1(b)) any Nonrecourse Liabilities in order to be allocated its Minimum Liability Amount and does not do so (except to the extent such failure to do so is the direct result of a failure by the Partnership to use reasonable efforts to cause the lender to agree to the Debt Guarantee form or other mutually agreed upon form to the extent required in accordance with Section 3.1(b)), the Partnership shall not be treated as having breached its obligation under this Section 3.1(a) to the extent of such failure. The Minimum Liability Amount may be decreased over time (as reasonably determined by the Partnership) to an amount that reflects the then applicable amount necessary to prevent the recognition of Protected Gain to such Protected Partners under Section 465, Section 707(a)(2)(B), Section 731 or Section 752 of the Code and Treasury Regulations.

(b) During the Tax Protection Period, each Protected Partner shall have the right, but not the obligation, upon forty-five (45) days' written notice, to offer a Debt Guarantee of one or more Nonrecourse Liabilities in an aggregate amount up to the Minimum Liability Amount with respect to such Protected Partner, and the Partnership shall use reasonable efforts, at such Protected Partner's expense, to cause the applicable lender to agree to accept such Debt Guarantee in such form as may be acceptable to the Protected Partner, the Partnership, and the applicable lender; provided that the Partnership makes no representation or warranty that the applicable lender shall accept any such Debt Guarantee. In connection with any request by any Protected Partner to offer a Debt Guarantee, the parties hereto hereby agree as follows:

(i) If such lender agrees to accept such Debt Guarantee, then, as a condition to the execution and delivery of such Debt Guarantee, the applicable Protected Partner(s), the Partnership and the applicable lender will enter into an agreement (in form and substance satisfactory to the applicable lender and reasonably satisfactory to the Partnership and the Protected Partner(s)) under which such Protected Partner(s) shall confirm that (x) such Protected Partner(s) will have no approval right in connection with or relating to the Debt Guarantee with respect to any modification or amendment to any of the loan documents evidencing and/or securing the applicable loan, and (y) the applicable Debt Guarantee will remain in full force and effect with respect to the loan documents evidencing and/or securing such loan, including any and all modifications or amendments thereto, without a contemporaneous approval, confirmation or ratification by such Protected Partner(s); provided, no such modification or amendment shall increase the total dollar amount guaranteed by the Protected Partner with respect to such Debt Guarantee without the Protected Partner's express prior written approval.

(iv) If a Protected Partner executes a Debt Guarantee in a form acceptable to the Partnership and the applicable lender under the Guaranteed Liability, the Partnership shall deliver a copy of such Debt Guarantee to such lender promptly after receiving such copy from the relevant Protected Partner.

(v) If, at any time, any Protected Partner executes and delivers a Debt Guarantee to a lender in accordance with this Section 3.1(b), and if, notwithstanding the provisions of any agreement entered into in accordance with clause (i) of this Section 3.1(b), in connection with a proposed modification or amendment to the related loan documents the applicable lender requests from the applicable Protected Partner(s) a confirmation and ratification of the Debt Guarantee, then, provided that the proposed modification or amendment is a Consistent Amendment (hereinafter defined), the applicable Protected Partner(s) will ratify and confirm that the Debt Guarantee remains in full force and effect and shall not be impacted, terminated or modified in any way as a result of such loan modification and such Protected Partner(s) will execute and deliver such written consent, confirmation and ratification no later than five (5) Business Days after being requested to do so by the Partnership. In the event that a Protected Partner fails to ratify and confirm a Debt Guarantee in accordance with this Section 3.1(b)(iii), then (i) the General Partner of the Partnership may, in its discretion and to the extent permitted by law, reduce the portion (if any) of such Guaranteed Liability that is allocable to such Protected Partner for purposes of Section 752 of the Code; and (ii) regardless of any actions taken by the General Partner of the Partnership pursuant to the preceding clause (i), the Partnership shall, with respect to such Protected Partner, be deemed to have satisfied in full its obligations under Section 3.1 with respect to such Nonrecourse Liabilities for all purposes of this Agreement (and shall have no obligation to such Protected Partner under Section 4.1 of this Agreement with respect to the Nonrecourse Liabilities to which such Debt Guarantee relates).

(vi) Prior to entering into any amendment or modification to the loan documents evidencing a Guaranteed Liability, the Partnership will deliver to each Protected Partner(s) that has at that time delivered a Debt Guarantee that remains outstanding with respect to such Guaranteed Liability, a brief summary of the key

business terms of such amendment or modification. Such Protected Partner(s) shall have ten (10) Business Days (x) to solicit any additional information from the Partnership regarding the amendment or modification and (y) to object to such amendment or modification, but the Protected Partner(s) shall be entitled to object only if such Protected Partner(s) conclude, in such Protected Partner(s)' reasonable discretion, that solely as a result of such proposed amendment or modification, there would be (a) a reduction in the amount of such Guaranteed Liability that would be allocated to such Protected Partner(s) under Section 752 of the Code and the Treasury Regulations thereunder (as compared to the amount of such Guaranteed Liability that would be so allocated to such Protected Partner(s) in the absence of such modification or amendment); or (b) an increase in the total dollar amount guaranteed by the Protected Partner with respect to such Guaranteed Liability, it being understood and agreed that Protected Partner(s) shall have no other basis upon which to object to the proposed modification or amendment. Any such objection shall be delivered to the Partnership in writing prior to the expiration of such ten (10) Business Day period and shall explain the specific basis for such objection. If the Partnership receives any such objection notice, the Partnership will not enter into the proposed amendment or modification, and any future revisions to the proposed amendment or modification shall be subject to the approval process set forth in this clause (iv). If the Protected Partner(s) either notify the Partnership that the Protected Partner(s) do not object to the proposed business terms, or if Protected Partner(s) fail to respond during such ten (10) Business Day period, then the Partnership shall be permitted to enter into the proposed amendment or modification, and such Protected Partner(s) shall be deemed to have approved such proposed amendment or modification (any such proposed amendment or modification, a "Consistent Amendment").

(c) During the Tax Protection Period, the Partnership shall use the optional method under Treasury RegulationsSection 1.752-3(a)(3) to allocate "nonrecourse liabilities" (as defined under applicable Treasury Regulations), if any, secured by any Gain Limitation Property to the Protected Partners to the extent the "built-in gain" allocable to such Protected Partners under Section 704(c) of the Code with respect to such Gain Limitation Property exceeds the amount of such "nonrecourse liabilities" allocated to such Protected Partners under Treasury Regulations Section 1.752-3(a)(2).

(d) Except as otherwise provided in this Section 3.1, and subject to Section 4.1, prior to the maturity date of the Existing Property Debt for a Gain Limitation Property the Partnership may, and no later than the maturity date of such Existing Property Debt for a Gain Limitation Property the Partnership shall, refinance such Existing Property Debt with Nonrecourse Liabilities secured by the applicable Gain Limitation Property having an outstanding balance that will remain at an amount that is at least equal to the Minimum Debt Amount for such Gain Limitation Property. Nothing contained in the foregoing shall be deemed to eliminate or modify the obligations of the Partnership pursuant to Section 3.1(a).

(e) Subject to Section 4.1 and the obligations of this Article 3, the Partnership shall have the right to refinance the Existing Property Debt for any Gain Limitation Property with Nonrecourse Liabilities not described in Section 3.2(d), but only if the amount of Nonrecourse Liabilities that are allocated to the Protected Partners with respect to such Gain

Limitation Property under Treasury Regulations Section 1.752-3 is not less than the amount of Nonrecourse Liabilities that would have been allocated to such Protected Partners under Treasury Regulations Section 1.752-3 if the Partnership had maintained an amount of Nonrecourse Liabilities secured by such Gain Limitation Property not less than the Minimum Debt Amount with respect to such Gain Limitation Property. Nothing in the foregoing shall be deemed to eliminate or modify the obligations of the Partnership pursuant to Section 3.1(a).

Section 3.2 Notification Requirement. During the Tax Protection Period, the Partnership shall provide no less than sixty (60) days' prior written notice to a Protected Partner if the Partnership intends to repay, retire, refinance or otherwise reduce (other than due to scheduled amortization) the amount of liabilities with respect to a Gain Limitation Property in a manner that would cause a Protected Partner to recognize gain for federal income tax purposes as a result of a decrease of the Protected Partner's share of Partnership liabilities below the Minimum Liability Amount (determined as of the Closing Date) (a "Debt Notification Event"). Provided, such notice shall not be deemed to eliminate or modify any obligation of the Partnership pursuant to this Article 3 or Article 4.

Article 4
REMEDIES FOR BREACH

4.1 Monetary Damages; Computation: Limitations.

(a) Monetary Damages. In the event that the Partnership breaches its obligations set forth in Article 2 or Article 3 with respect to a Protected Partner, the Protected Partner's sole remedy shall be to receive from the Partnership, and the Partnership shall pay to such Protected Partner as damages, an amount equal to:

(i) in the case of a violation of Article 2, the aggregate federal, state, and local income taxes incurred by the Protected Partner or an Indirect Owner with respect to the Protected Gain that is allocable to such Protected Partner under the Partnership Agreement as a result of the disposition of the Gain Limitation Property; and

(ii) in the case of a violation of Article 3, the aggregate federal, state and local income taxes incurred by the Protected Partner or an Indirect Owner as a result of the income or gain allocated to, or otherwise recognized by, such Protected Partner with respect to its OP Units by reason of such breach.

In addition, the Partnership shall pay to the Protected Partner or Indirect Owner an additional amount so that after payment by such Protected Partner or Indirect Owner of all federal, state, and local income taxes payable by the Protected Partner or Indirect Owner on amounts received pursuant to this Section 4.1, such Protected Partner or Indirect Owner has received an amount equal to the amount determined pursuant to Section 4.1(a)(i) or Section 4.1(a)(ii), as applicable.

(b) Computation. For purposes of computing the amount of federal, state, and local income taxes required to be paid by a Protected Partner (or Indirect Owner), (i) any deduction for state income taxes payable as a result thereof actually allowed, in computing federal and state income taxes shall be taken into account, and (ii) a Protected Partner's (or Indirect Owner's) tax liability shall be computed using the highest federal, state and local marginal income tax rates (plus the tax rate on net investment income, if applicable) that would be applicable to such Protected Partner's (or, Indirect Owner's) taxable income (taking into account the character and type of such income or gain) for the year with respect to which the taxes must be paid, assuming the aggregate amount of taxable income and gain of such Protected Partner for such year equals the amount of Protected Gain recognized and described in Section 4.1(i) or the aggregate income and gain recognized and described in Section 4.100, as applicable; and, except as described in clause (i),, without regard to any deductions, losses or credits that may be available to such Protected Partner (or Indirect Owner) that would reduce or offset its actual taxable income or actual tax liability if such deductions, losses or credits could be utilized by the Protected Partner (or Indirect Owner) to offset other income, gain or taxes of the Protected Partner (or Indirect Owner), either in the current year, in earlier years, or in later years.

Section 4.2 Process for Determining Damages. If the Partnership has breached or violated any of the covenants set forth in Article 2 or Article 3 (or a Protected Partner asserts that the Partnership has breached or violated any of the covenants set forth in Article 2 or Article 3), the Partnership and the Protected Partner (or Indirect Owner) agree to negotiate in good faith to resolve any disagreements regarding any such breach or violation and the amount of damages, if any, payable to such Protected Partner (or Indirect Owner) under Section 4.1. If any such disagreement cannot be resolved by the Partnership and such Protected Partner (or Indirect Owner) within sixty (60) days after the receipt of notice from the Partnership of such breach and the amount of income to be recognized by reason thereof (or, if applicable, receipt by the Partnership of an assertion by a Protected Partner that the Partnership has breached or violated any of the covenants set forth in Article 2 or Article 3), the Partnership and the Protected Partner shall jointly retain a nationally recognized independent public accounting firm (an "Accounting Finn") to act as an arbitrator to resolve as expeditiously as possible all points of any such disagreement (including, without limitation, whether a breach of any of the covenants set forth in Article 2 or Article 3, has occurred and, if so, the amount of damages to which the Protected Partner is entitled as a result thereof, determined as set forth in Section 4.1). The Partnership and the Protected Partner shall cooperate with the Accounting Firm and shall furnish the Accounting Firm with all information reasonably requested by the Accounting Firm. All determinations made by the Accounting Firm with respect to the resolution of any breach or violation of any of the covenants set forth in Article 2 or Article 3 and the amount of damages payable to the Protected Partner under Section 4.1 shall be final, conclusive and binding on the Partnership and the Protected Partner. The fees and expenses of any Accounting Firm incurred in connection with any such determination shall be shared equally by the Partnership and the Protected Partner, provided that if the aggregate amount determined by the Accounting Firm to be owed by the Partnership to the Protected Partner is more than five percent (5%) higher than the amount proposed by the Partnership to be owed to such Protected Partner prior to the submission of the matter to the Accounting Finn, then all of the fees and expenses of any Accounting Firm incurred in connection with any such determination shall be paid by the Partnership and if the amount determined by the Accounting Firm to be owed by the Partnership to the Protected Partner is

more than five percent (5%) less than the amount proposed by the Partnership to be owed to such Protected Partner prior to the submission of the matter to the Accounting Firm, then all of the fees and expenses of any Accounting Finn incurred in connection with any such determination shall be paid by the Protected Partner.

Section 4.3 Required Notices; Time for Payment. In the event that there has been a breach of Article 2 or Article 3, the Partnership shall provide to each affected Protected Partner notice of the transaction or event giving rise to such breach not later than at such time as the Partnership provides to the Protetted Partners the IRS Schedule K-1' s to the Partnership's federal income tax return for the year of such transaction. All payments required to be made under this Article 4 to any Protected Partner shall be made to such Protected Partner on or before April 15 of the year following the year in which the gain recognition event giving rise to such payment took place; provided that, if the Protected Partner is required to make estimated tax payments that would include such gain (taking into account all available safe harbors), the Partnership shall make a payment to the Protected Partner on or before the due date for such estimated tax payment and such payment from the Partnership shall be in an amount that corresponds to the amount of the estimated tax being paid by such Protected Partner at such time as a result of the gain recognition event, which payment shall be credited against the total amount payable under this Article 4. In the event of a payment made after the date required pursuant to this Section 4.3, interest shall accrue on the aggregate amount required to be paid from such date to the date of actual payment at a rate equal to the "prime rate" of interest, as published in the Wall Street Journal (or if no longer published there, an equivalent publication) effective as of the date the payment is required to be made.

Article 5
NOTICE OF INTENTION TO SELL GAIN LIMITATION PROPERTY DURING NOTICE PERIOD

During the Tax Protection Period, if the Partnership intends to dispose of a Gain Limitation Property in a taxable transaction, the Partnership shall use commercially reasonable efforts to provide at least 90 days' prior written notice (prior to the closing of such disposition) to the Protected Partners. Provided, such notice shall not be deemed to eliminate or modify any obligation of the Partnership pursuant to Article 3 or Article 4.

Article 6
SECTION 704(C) METHOD AND ALLOCATIONS

Notwithstanding any provision of the Partnership Agreement, the Partnership shall use the "traditional method" under Treasury Regulations Section 1.704-3(b) for purposes of making all allocations under Section 704(c) of the Code with respect to any Gain Limitation Property.

Article 7
AMENDMENT OF THIS AGREEMENT; WAIVER OF CERTAIN PROVISIONS

Section 7.1 Amendment. This Agreement may not be amended, directly or indirectly (including by reason of a merger between either the Partnership or the REIT and another entity) except by a written instrument signed by the REIT, the Partnership, and each of the Protected

Partners to be subject to such amendment, provided, however, the Partnership, on the one hand, and a Protected Partner, on the other hand, may amend the terms of this Agreement as applied solely to such Protected Partner by a written instrument signed by the Partnership and such Protected Partner.

Section 7.2 Waiver. Notwithstanding the foregoing, upon written request by the Partnership, each Protected Partner, in its sole discretion, may waive the payment of any damages or indemnification amount that is otherwise payable to such Protected Partner pursuant to Article 4 hereof Such a waiver shall be effective only if obtained in writing from the affected Protected Partner. Any such waiver or consent shall be effective only in the specific instance and for the purpose of which given.

Article 8
MISCELLANEOUS

Section 8.1 Additional Actions and Documents. Each of the Parties hereby agrees to take or cause to be taken such further actions, to execute, deliver, and file or cause to be executed, delivered and filed such further documents, and will obtain such consents, as may be necessary or as may be reasonably requested in order to fully effectuate the purposes, terms and conditions of this Agreement.

Section 8.2 Assignment. Except as expressly set forth herein, no Party shall assign its or his rights or obligations under this Agreement, in whole or in part, except by operation of law, without the prior written consent of the other Parties, and any such assignment contrary to the terms hereof shall be null and void and of no force and effect. Notwithstanding the foregoing, the initial Protected Partner and any Indirect Owner may assign its rights without the need to obtain the prior consent of any other party, to any Indirect Owner or direct or indirect member, partner, or shareholder of such initial Protected Partner in connection with the distribution of any OP Units by the initial Protected Partner to such Indirect Owner or member, partner or shareholder of the initial Protected Partner or such Indirect Owner.

Section 8.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Protected Partners and their respective successors and permitted assigns, whether so. expressed or not. This Agreement shall be binding upon the REIT, the Partnership, and any entity that is a direct or indirect successor, whether by merger, transfer, spin-off or otherwise, to all or substantially all of the assets of either the REIT or the Partnership (or any prior successor thereto as set forth in the preceding portion of this sentence), provided that none of the foregoing shall result in the release of liability of the REIT and the Partnership hereunder. The REIT and the Partnership covenant with and for the benefit of the Protected Partners not to undertake any transfer of all or substantially all of the assets of either entity (whether by merger, transfer, spin-off or otherwise) unless the transferee has acknowledged in writing and agreed in writing to be bound by this Agreement, provided that the foregoing shall not be deemed to permit any transaction otherwise prohibited by this Agreement.

Section 8.4 Modification: Waiver. No failure or delay on the part of any Party in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Parties are cumulative and not exclusive of any rights or remedies which they would otherwise have. No modification or waiver of any provision of this Agreement, nor consent to any departure by any Party 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 any Party in any case shall entitle such Party to any other or further notice or demand in similar or other circumstances.

Section 8.5 Representations and Warranties Regarding Authority: Noncontravention. Each of the REIT and the Partnership has the requisite corporate or other (as the case may be) power and authority to enter into this Agreement and to perform its respective obligations hereunder. The execution and delivery of this Agreement by each of the REIT and the Partnership and the performance of each of its respective obligations hereunder have been duly authorized by all necessary trust, partnership, or other (as the case may be) action on the part of each of the REIT and the Partnership. This Agreement has been duly executed and delivered by each of the REIT and the Partnership and constitutes a valid and binding obligation of each of the REIT and the Partnership, enforceable against each of the REIT and the Partnership in accordance with its terms, except as such enforcement may be limited by (i) applicable bankruptcy or insolvency laws (or other laws affecting creditors' rights generally) or (ii) general principles of equity. The execution and delivery of this Agreement by each of the REIT and the Partnership do not, and the performance by each of its respective obligations hereunder will not, conflict with, or result in any violation of (i) the Partnership Agreement or (ii) any other agreement applicable to the REIT and/or the Partnership, other than, in the case of clause (ii), any such conflicts or violations that would not materially adversely affect the performance by the Partnership and the REIT of their obligations hereunder.

Section 8.6 Captions. The Article and Section headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

Section 8.7 Notices. All notices and other communications given or made pursuant hereto shall be in writing, shall be deemed to have been duly given or made as of the date delivered, mailed or transmitted, and shall be effective upon receipt, if delivered personally, mailed by U.S. registered or certified mail (postage prepaid, return receipt requested) to the Parties at the following addresses (or at such other address for a Party as shall be specified by like changes of address) or sent by email to the email addresses specified below:

(a) if to the REIT or the Partnership, to:

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
Attention: David Sobelman
Email:

(b) if to a Protected Partner, to the address on file with the Partnership.

Each Party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication which shall be hand delivered, sent, mailed, or emailed in the manner described above, or which shall be delivered to a telegraph Partnership, shall be deemed sufficiently given, served, sent, received or delivered for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, or (with respect to a telecopy or telex) the answerback being deemed conclusive, but not exclusive, evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

Section 8.8 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

Section 8.9 Governing Law. The interpretation and construction of this Agreement, and all matters relating thereto, shall be governed by the laws of the State of Delaware, without regard to the choice of law provisions thereof.

Section 8.10 Consent to Jurisdiction: Enforceability.

(a) This Agreement and the duties and obligations of the Parties shall be enforceable against any of the other Parties in the courts of the Commonwealth of Virginia. For such purpose, each Party and the Protected Partners hereby irrevocably submits to the nonexclusive jurisdiction of such courts and agrees that all claims in respect of this Agreement may be heard and determined in any of such courts.

(b) Each Party hereby irrevocably agrees that a final judgment of any of the courts specified above in any action or proceeding relating to this Agreement shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 8.11 Severability. If any part of any provision of this Agreement shall be invalid or unenforceable in any respect, such part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of such provision or the remaining provisions of this Agreement.

Section 8.12 Tax Advice. Each Party acknowledges and agrees that it has not received and is not relying upon tax advice from any other Party and that it has and will continue to consult its own tax advisors with respect to the provisions of this Agreement. The REIT and Partnership make no representations or warranties as to the proper treatment of the Contribution, the treatment or effect of any Debt Guarantee, or the consequences of the transactions and elections contemplated by the Agreement, the Contribution Agreement and the Partnership Agreement for U.S. federal income tax purposes or any other tax purposes.

Section 8.13 Costs of Disputes. Except as otherwise expressly set forth in this Agreement, the nonprevailing Party in any dispute arising hereunder shall bear and pay the costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred by the prevailing Party or Parties in connection with resolving such dispute.

Section 8.14 Joint and Several Liability. Each of the REIT and the Partnership agrees that it is jointly and severally liable for all obligations set forth under this Agreement.

[signatures on next page]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

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,
its General Partner

By: /s/ David Sobelman
David Sobelman
President

RIVERSIDE CROSSINGS L.C.,
a Virginia limited liability company

By: Robinson Development Group, Inc., its
Manager

By: /s/ Anthony Smith
Anthony W. Smith
Senior Vice President

Schedule 2.1(b)

RIVERSIDE CROSSING L.C.

Assumed fair market value:	$7,100,000
Less estimated adjusted tax basis as of 9/27/2019:	$3,183,859
Protected Gain	$3,916.141

Schedule 3.1(a)

Liabilities of no less than $1,961,179.

Exhibit 10.38

TAX PROTECTION AGREEMENT

THIS4AX PROTECTION AGREEMENT (this "Agreement") is made and entered into as of the 30th day of September, 2019 by and among GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership (the "Partnership"), GENERATION INCOME PROPERTIES, INC., a Maryland corporation (the "REIT"), and the sole general partner of the Partnership, and GREENWAL, L.C., a Virginia limited liability company, as contributor (the "Contributor" and, together with the Partnership and the REIT, the "Parties").

WHEREAS, the Contributor, pursuant to that certain Contribution and Subscription Agreement, dated the date hereof, by and between the Contributor and the Partnership (the "Contribution Agreement"), is contributing the Property (the "Contribution") to the Partnership in exchange for common units of limited partnership interest in the Partnership ("OP Units");

WHEREAS, it is intended for federal income tax purposes that the Contribution for OP Units will be treated in part as a tax-deferred contribution of the Property to the Partnership for OP Units under Section 721 of the Code;

WHEREAS, in consideration for the agreement of the Contributors to make the Contribution, the Parties desire to enter into this Agreement regarding certain tax matters as set forth herein; and

WHEREAS, the REIT and the Partnership desire to evidence their agreement regarding amounts that may be payable in the event of certain actions being taken by the Partnership regarding the disposition of the Property, and regarding certain minimum debt obligations of the Partnership and its subsidiaries.

NOW, THEREFORE, in consideration of the promises and the mutual representations, warranties, covenants and agreements contained herein and in the Contribution Agreement, the Parties hereby agree as follows:

Article 1
DEFINITIONS

To the extent not otherwise defined herein, capitalized terms used in this Agreement have the meanings ascribed to them in the Partnership Agreement (as defined below).

"Accounting Firm" has the meaning set forth in the Section 4.2.

"Agreement" has the meaning set forth in the Preamble.

"Book Gain" means any gain that would not be required under Section 704(c) of the Code and the applicable regulations to be specially allocated to the Protected Partners for federal income tax purposes (for example, any gain attributable to appreciation in the actual value of the Gain Limitation Property following the Closing Date or any gain resulting from reductions in the "book value" of the Gain Limitation Property following the Closing Date).

"Business Dav" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Cash Consideration" has the meaning set forth in Section 2.1(a).

"Closing Date" means the date on which the Contribution will be effective.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contribution" has the meaning set forth in the Recitals.

"Contribution Agreement" has the meaning set forth in the Recitals.

"Debt Guarantee" means a guarantee in such form as may be acceptable to the Protected Partners, the Partnership, and the applicable lender to which such guarantee relates.

"Existing Property Debt" means the indebtedness to which the Property was subject immediately prior to the time of the Contribution of such Property.

"Final Determination" means (i) a decision, judgment, decree or other order by any court of competent jurisdiction, which decision, judgment, decree or other order has become final after all allowable appeals by either party to the action have been exhausted or after the time for filing such appeals has expired, (ii) a binding settlement agreement entered into in connection with an administrative or judicial proceeding, (iii) the expiration of the time for instituting a claim for refund, or if such a claim was filed, the expiration of the time for instituting suit with respect thereto or (iv) the expiration of the time for instituting suit with respect to a claimed deficiency.

"Gain Limitation Property" means (i) each property or asset identified on Schedule 2.1(b) hereto as a Gain Limitation Property; (ii) any direct or indirect interest owned by the Partnership in any entity that owns an interest in a Gain Limitation Property, if the disposition of that interest would result in the recognition of Protected Gain by a Protected Partner; and (iii) any other property that the Partnership directly or indirectly receives that is in whole or in part a "substituted basis property" as defined in Section 7701(a)(42) of the Code with respect to a Gain Limitation Property.

"Guaranteed Liability" means any Nonrecourse Liability that is guaranteed, in whole or in part, by one or more Protected Partners in accordance with Section 3.1(b).

"Indirect Owner" means, in the case of a Protected Partner that is an entity that is classified as a partnership, disregarded entity or subchapter S corporation or real estate investment trust for federal income tax purposes, any person owning an equity interest in such Protected Partner, and in the case of any Indirect Owner that itself is an entity that is classified as a partnership, disregarded entity, subchapter S corporation or real estate investment trust for federal income tax purposes, any person owning an equity interest in such entity.

"Minimum Debt Amount" shall mean, with respect to each Gain Limitation Property, the Existing Property Debt minus any scheduled but unpaid amortization payments that would have been required to be paid under the terms of such Existing Property Debt prior to the maturity date of such Existing Property Debt (but not including payments otherwise due at maturity of such Existing Property Debt, which may be refinanced as applicable during the Tax Protection Period). The initial Minimum Debt Amount with respect to each Gain Limitation Property is set forth on Schedule 2.1(b) hereto, as amended and/or supplemented from time to time.

"Minimum Liability Amount" means each Protected Partner's "negative tax basis" as of the Closing Date, as set forth next to such Protected Partner's name on Schedule 3.1(a) hereto. The amounts reflected on Schedule 3.1(a) represent one hundred ten percent (110%) of the estimated "negative tax basis" as of the Closing Date. In addition, the Minimum Liability Amount shall be adjusted and allocated, proportionately and as appropriate, to take into account dispositions of OP Units to Indirect Owners and any direct or indirect partner, member or shareholder of the Protected Partner or Indirect Owner.

"Nonrecourse Liability" has the meaning set forth in Treasury Regulations Section 1.752-1(a)(2).

"OP Units" has the meaning set forth in the Recitals.

"Parties" has the meaning set forth in the Preamble.

"Partnership" has the meaning set forth in the Preamble.

"Partnership Agreement" means the Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of March 23, 2018, as amended, and as the same may be further amended in accordance with the terms thereof.

"Partnership Interest Consideration" has the meaning set forth in Section 2.1(c).

"Property" has the meaning ascribed to such term in the Contribution Agreement.

"Protected Gain" shall mean the gain that would be allocable to and recognized by a Protected Partner for federal income tax purposes under Section 704(c) of the Code in the event of the sale of a Gain Limitation Property in a fully taxable transaction. The initial amount of Protected Gain with respect to each Protected Partner shall be determined as if the Partnership sold each Gain Limitation Property in a fully taxable transaction on the Closing Date for consideration equal to the Section 704(c) Value of such Gain Limitation Property on the Closing Date, and is set forth on Schedule 2.1(b) hereto. After the Closing Date, Protected Gain shall be reduced from time to time to reflect reductions in the "book-tax disparity" with respect to each Property in accordance with Treasury Regulations § 1.704-3 as provided in Article 6 below. Book Gain, including without limitation, any "reverse Section 704(c) gain" allocable to such Protected Partner pursuant to Treasury Regulations Section 1.704-3(a)(6), shall not be considered Protected Gain and for purposes of calculating the amount of Section 704(c) gain allocable to a Protected Partner shall not be taken into account unless, as a result of adjustments to the "book value" of any Gain Limitation Property pursuant to the Partnership Agreement or otherwise, all or a portion of the gain recognized by the Partnership that would have been Section 704(c) gain without regard to such adjustments becomes or is treated as "reverse Section 704(c) gain" or Section 704(b) gain under Section 704 of the Code, in which case such gain shall continue to be treated as Section 704(c) gain. In all events such Protected Gain shall not be greater than the Protected Gain as of the Closing Date after taking into account any gain required to be recognized by a Protected Partner as a result of the transactions contemplated by the Contribution Agreement.

"Protected Partner" means the Contributor, each Indirect Owner and any other person who (i) acquires OP Units from a Protected Partner in a transaction in which gain or loss is not recognized in whole or in part and in which such transferee's adjusted basis for federal income tax purposes is determined in whole or in part by reference to the adjusted basis of the Protected Partner in such OP Units, (ii) has notified the Partnership of its status as a Protected Partner and (iii) provides all documentation reasonably requested by the Partnership to verify such status (including any applicable debt guarantee), but excludes any person that ceases to be a Protected Partner pursuant to this Agreement.

"Section 704(c) Value" means the fair market value of any Gain Limitation Property as of the Closing Date, as set forth next to each Gain Limitation Property on Schedule 2.1(b) hereto. The Partnership shall initially carry the Gain Limitation Property on its books at a value equal to the Section 704(c) Value as set forth on Schedule 2.1(b).

"Subsidiary" means any entity in which the Partnership owns a direct or indirect interest that owns a Gain Limitation Property on the Closing Date or that thereafter is a successor to the Partnership's direct or indirect interests in a Gain Limitation Property.

"Successor Partnership" has the meaning set forth inSection 2.1(b).

"Tax Protection Period" means the period commencing on the Closing Date and ending on the seventh (r) anniversary thereof; provided, however, that with respect to a Protected Partner, the Tax Protection Period shall terminate at such time as (i) such Protected Partner has disposed of eighty percent (80%) of the OP Units received on the Contribution in one or more taxable transactions; (ii) with respect to any OP Units acquired by a Protected Partner as a result of the death of another Protected Partner, if such death results in a step-up in the adjusted tax basis in such OP Units or (iii) there is a Final Determination that no portion of the Contribution qualified for tax-deferred treatment under Section 721 of the Code.

"Treasury Regulations" means the income tax regulations under the Code, whether such regulations are in proposed, temporary or final form, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Article 2
RESTRICTIONS ON DISPOSITIONS OF GAIN LIMITATION PROPERTIES

Section 2.1 Restrictions on Disposition of Gain Limitation Properties.

(a) General Prohibition. The Partnership agrees for the benefit of each Protected Partner, for the term of the Tax Protection Period, not to directly or indirectly sell, exchange, transfer, or otherwise dispose of a Gain Limitation Property or any interest therein, without regard to whether such disposition is voluntary or involuntary, in a transaction that would cause any Protected Partner to recognize any Protected Gain.

Without limiting the foregoing, the term "sale, exchange, transfer or disposition" by the Partnership shall be deemed to include, and the prohibition shall extend to:

(i) any direct or indirect disposition by any direct or indirect Subsidiary of any Gain Limitation Property or any interest therein;

(ii) any direct or indirect disposition by the Partnership of any Gain Limitation Property (or any direct or indirect interest therein) that is subject to Section 704(c)(1)(B) of the Code and the Treasury Regulations thereunder; and

(iii) any distribution by the Partnership to a Protected Partner that is subject to Section 737 of the Code and the Treasury Regulations thereunder.

Without limiting the foregoing, a disposition shall include any transfer, voluntary or involuntary, by the Partnership or any Subsidiary in a foreclosure proceeding, pursuant to a deed in lieu of foreclosure, or in a bankruptcy proceeding.

(b) Exceptions Where No Gain Recognized. Notwithstanding the restriction set forth in this Section 2.1, the Partnership and any Subsidiary may dispose of any Gain Limitation Property (or any interest therein) if such disposition qualifies as a "like-kind exchange" under Section 1031 of the Code, or an involuntary conversion under Section 1033 of the Code, or other transaction (including, but not limited to, a contribution of property to any entity that qualifies for the non-recognition of gain under Section 721 or Section 351 of the Code, or a merger or consolidation of the Partnership with or into another entity that qualifies for taxation as a "partnership" for federal income tax purposes (a "Successor Partnership")) that, as to each of the foregoing, does not result in the recognition of any taxable income or gain to any Protected Partner with respect to any of the OP Units; provided, however, that in the case of a "like-kind exchange" under Section 1031 of the Code, if such exchange is with a "related party" within the meaning of Section 1031(0(3) of the Code, any direct or indirect disposition by such related party of the Gain Limitation Property or any other transaction prior to the expiration of the two (2) year period following such exchange that would cause Section 1031(0(1) of the Code to apply with respect to such Gain Limitation Property (including by reason of the application of Section 1031(0(4) of the Code) shall be considered a violation of this Section 2.1 by the Partnership.

(c) Other Exceptions. Notwithstanding the foregoing, this Section 2.1 shall not apply to:

(i) a voluntary, actual disposition by a Protected Partner of OP Units in connection with a merger or consolidation of the Partnership pursuant to which (1) the Protected Partner is offered as consideration for the OP Units either cash or property treated as cash pursuant to Section 731 of the Code ("Cash Consideration") or partnership interests and the receipt of such partnership interests would not result in the recognition of gain for federal income tax purposes by the Protected Partner ("Partnership Interest Consideration"); (2) the Protected

Partner has the right to elect to receive solely Partnership Interest Consideration in exchange for its OP Units, and the continuing partnership (or other successor to the assets of the Partnership) has agreed in writing to assume the obligations of the Partnership under this Agreement; (3) no Protected Gain is recognized by the Partnership as a result of any partner of the Partnership receiving Cash Consideration; and (4) the Protected Partner elects or is deemed to elect to receive solely Cash Consideration;

(ii) the recognition of Protected Gain by a Protected Partner as a result of (i) the Tax positions taken by the initial Protected Partner prior to the date of the Contribution, or (ii) changes in Tax law made or enacted after the Closing Date.

Article 3
ALLOCATION OF NONRECOURSE LIABILITIES

Section 3.1 Allocation of Nonrecourse Liabilities.

(a) During the Tax Protection Period, pursuant to Treasury RegulationsSection 1.752-3(a)(2) and (3), with respect to each Gain Limitation Property then held directly or indirectly by the Partnership, the Partnership shall maintain, directly or indirectly, an amount of Nonrecourse Liabilities secured by such Gain Limitation Property or to which the Gain Limitation Property is otherwise subject for purposes of Treasury Regulations Section 1.752-3(a) in an amount that is not less than the Minimum Debt Amount with respect to such Gain Limitation Property, and the Partnership shall allocate such Nonrecourse Liabilities to the Protected Partners in accordance with Section 752 of the Code and the Treasury Regulations. Schedule 3.1(a) hereto sets forth, with respect to each Gain Limitation Property, each Protected Partner's Minimum Liability Amount with respect to such Gain Limitation Property. To the extent a Protected Partner must guarantee (in accordance with Section 3.1(b)) any Nonrecourse Liabilities in order to be allocated its Minimum Liability Amount and does not do so (except to the extent such failure to do so is the direct result of a failure by the Partnership to use reasonable efforts to cause the lender to agree to the Debt Guarantee form or other mutually agreed upon form to the extent required in accordance with Section 3.1(b)), the Partnership shall not be treated as having breached its obligation under this Section 3.1(a) to the extent of such failure. The Minimum Liability Amount may be decreased over time (as reasonably determined by the Partnership) to an amount that reflects the then applicable amount necessary to prevent the recognition of Protected Gain to such Protected Partners under Section 465, Section 707(a)(2)(B), Section 731 or Section 752 of the Code and Treasury Regulations.

(b) During the Tax Protection Period, each Protected Partner shall have the right, but not the obligation, upon forty-five (45) days' written notice, to offer a Debt Guarantee of one or more Nonrecourse Liabilities in an aggregate amount up to the Minimum Liability Amount with respect to such Protected Partner, and the Partnership shall use reasonable efforts, at such Protected Partner's expense, to cause the applicable lender to agree to accept such Debt Guarantee in such form as may be acceptable to the Protected Partner, the Partnership, and the applicable lender; provided that the Partnership makes no representation or warranty that the applicable lender shall accept any such Debt Guarantee. In connection with any request by any Protected Partner to offer a Debt Guarantee, the parties hereto hereby agree as follows:

(i) If such lender agrees to accept such Debt Guarantee, then, as a condition to the execution and delivery of such Debt Guarantee, the applicable Protected Partner(s), the Partnership and the applicable lender will enter into an agreement (in form and substance satisfactory to the applicable lender and reasonably satisfactory to the Partnership and the Protected Partner(s)) under which such Protected Partner(s) shall confirm that (x) such Protected Partner(s) will have no approval right in connection with or relating to the Debt Guarantee with respect to any modification or amendment to any of the loan documents evidencing and/or securing the applicable loan, and (y) the applicable Debt Guarantee will remain in full force and effect with respect to the loan documents evidencing and/or securing such loan, including any and all modifications or amendments thereto, without a contemporaneous approval, confirmation or ratification by such Protected Partner(s); provided, no such modification or amendment shall increase the total dollar amount guaranteed by the Protected Partner with respect to such Debt Guarantee without the Protected Partner's express prior written approval.

(iv) If a Protected Partner executes a Debt Guarantee in a form acceptable to the Partnership and the applicable lender under the Guaranteed Liability, the Partnership shall deliver a copy of such Debt Guarantee to such lender promptly after receiving such copy from the relevant Protected Partner.

(v) If, at any time, any Protected Partner executes and delivers a Debt Guarantee to a lender in accordance with this Section 3.1(b), and if, notwithstanding the provisions of any agreement entered into in accordance with clause (i) of this Section 3.1(b), in connection with a proposed modification or amendment to the related loan documents the applicable lender requests from the applicable Protected Partner(s) a confirmation and ratification of the Debt Guarantee, then, provided that the proposed modification or amendment is a Consistent Amendment (hereinafter defined), the applicable Protected Partner(s) will ratify and confirm that the Debt Guarantee remains in full force and effect and shall not be impacted, terminated or modified in any way as a result of such loan modification and such Protected Partner(s) will execute and deliver such written consent, confirmation and ratification no later than five (5) Business Days after being requested to do so by the Partnership. In the event that a Protected Partner fails to ratify and confirm a Debt Guarantee in accordance with this Section 3.1(b)(iii), then (i) the General Partner of the Partnership may, in its discretion and to the extent permitted by law, reduce the portion (if any) of such Guaranteed Liability that is allocable to such Protected Partner for purposes of Section 752 of the Code; and (ii) regardless of any actions taken by the General Partner of the Partnership pursuant to the preceding clause (i), the Partnership shall, with respect to such Protected Partner, be deemed to have satisfied in full its obligations under Section 3.1 with respect to such Nonrecourse Liabilities for all purposes of this Agreement (and shall have no obligation to such Protected Partner under Section 4.1 of this Agreement with respect to the Nonrecourse Liabilities to which such Debt Guarantee relates).

(vi) Prior to entering into any amendment or modification to the loan documents evidencing a Guaranteed Liability, the Partnership will deliver to each Protected Partner(s) that has at that time delivered a Debt Guarantee that remains outstanding with respect to such Guaranteed Liability, a brief summary of the key

business terms of such amendment or modification. Such Protected Partner(s) shall have ten (10) Business Days (x) to solicit any additional information from the Partnership regarding the amendment or modification and (y) to object to such amendment or modification, but the Protected Partner(s) shall be entitled to object only if such Protected Partner(s) conclude, in such Protected Partner(s)' reasonable discretion, that solely as a result of such proposed amendment or modification, there would be (a) a reduction in the amount of such Guaranteed Liability that would be allocated to such Protected Partner(s) under Section 752 of the Code and the Treasury Regulations thereunder (as compared to the amount of such Guaranteed Liability that would be so allocated to such Protected Partner(s) in the absence of such modification or amendment); or (b) an increase in the total dollar amount guaranteed by the Protected Partner with respect to such Guaranteed Liability, it being understood and agreed that Protected Partner(s) shall have no other basis upon which to object to the proposed modification or amendment. Any such objection shall be delivered to the Partnership in writing prior to the expiration of such ten (10) Business Day period and shall explain the specific basis for such objection. If the Partnership receives any such objection notice, the Partnership will not enter into the proposed amendment or modification, and any future revisions to the proposed amendment or modification shall be subject to the approval process set forth in this clause (iv). If the Protected Partner(s) either notify the Partnership that the Protected Partner(s) do not object to the proposed business terms, or if Protected Partner(s) fail to respond during such ten (10) Business Day period, then the Partnership shall be permitted to enter into the proposed amendment or modification, and such Protected Partner(s) shall be deemed to have approved such proposed amendment or modification (any such proposed amendment or modification, a "Consistent Amendment").

(c) During the Tax Protection Period, the Partnership shall use the optional method under Treasury RegulationsSection 1.752-3(a)(3) to allocate "nonrecourse liabilities" (as defined under applicable Treasury Regulations), if any, secured by any Gain Limitation Property to the Protected Partners to the extent the "built-in gain" allocable to such Protected Partners under Section 704(c) of the Code with respect to such Gain Limitation Property exceeds the amount of such "nonrecourse liabilities" allocated to such Protected Partners under Treasury Regulations Section 1.752-3(a)(2).

(d) Except as otherwise provided in this Section 3.1, and subject to Section 4.1, prior to the maturity date of the Existing Property Debt for a Gain Limitation Property the Partnership may, and no later than the maturity date of such Existing Property Debt for a Gain Limitation Property the Partnership shall, refinance such Existing Property Debt with Nonrecourse Liabilities secured by the applicable Gain Limitation Property having an outstanding balance that will remain at an amount that is at least equal to the Minimum Debt Amount for such Gain Limitation Property. Nothing contained in the foregoing shall be deemed to eliminate or modify the obligations of the Partnership pursuant to Section 3.1(a).

(e) Subject to Section 4.1 and the obligations of this Article 3, the Partnership shall have the right to refinance the Existing Property Debt for any Gain Limitation Property with Nonrecourse Liabilities not described in Section 3.2(d), but only if the amount of Nonrecourse Liabilities that are allocated to the Protected Partners with respect to such Gain

Limitation Property under Treasury Regulations Section 1.752-3 is not less than the amount of Nonrecourse Liabilities that would have been allocated to such Protected Partners under Treasury Regulations Section 1.752-3 if the Partnership had maintained an amount of Nonrecourse Liabilities secured by such Gain Limitation Property not less than the Minimum Debt Amount with respect to such Gain Limitation Property. Nothing in the foregoing shall be deemed to eliminate or modify the obligations of the Partnership pursuant to Section 3.1(a).

Section 3.2 Notification Requirement. During the Tax Protection Period, the Partnership shall provide no less than sixty (60) days' prior written notice to a Protected Partner if the Partnership intends to repay, retire, refinance or otherwise reduce (other than due to scheduled amortization) the amount of liabilities with respect to a Gain Limitation Property in a manner that would cause a Protected Partner to recognize gain for federal income tax purposes as a result of a decrease of the Protected Partner's share of Partnership liabilities below the Minimum Liability Amount (determined as of the Closing Date) (a "Debt Notification Event"). Provided, such notice shall not be deemed to eliminate or modify any obligation of the Partnership pursuant to this Article 3 or Article 4.

Article 4
REMEDIES FOR BREACH

4.1 Monetary Damages; Computation: Limitations.

(a) Monetary Damages. In the event that the Partnership breaches its obligations set forth in Article 2 or Article 3 with respect to a Protected Partner, the Protected Partner's sole remedy shall be to receive from the Partnership, and the Partnership shall pay to such Protected Partner as damages, an amount equal to:

(i) in the case of a violation of Article 2, the aggregate federal, state, and local income taxes incurred by the Protected Partner or an Indirect Owner with respect to the Protected Gain that is allocable to such Protected Partner under the Partnership Agreement as a result of the disposition of the Gain Limitation Property; and

(ii) in the case of a violation of Article 3, the aggregate federal, state and local income taxes incurred by the Protected Partner or an Indirect Owner as a result of the income or gain allocated to, or otherwise recognized by, such Protected Partner with respect to. its OP Units by reason of such breach.

In addition, the Partnership shall pay to the Protected Partner or Indirect Owner an additional amount so that after payment by such Protected Partner or Indirect Owner of all federal, state, and local income taxes payable by the Protected Partner or Indirect Owner on amounts received pursuant to this Section 4.1, such Protected Partner or Indirect Owner has received an amount equal to the amount determined pursuant to Section 4.1(a)(i) or Section 4.1(a)(ii), as applicable.

(b) Computation. For purposes of computing the amount of federal, state, and local income taxes required to be paid by a Protected Partner (or Indirect Owner), (i) any deduction for state income taxes payable as a result thereof actually allowed, in computing federal and state income taxes shall be taken into account, and (ii) a Protected Partner's (or Indirect Owner's) tax liability shall be computed using the highest federal, state and local marginal income tax rates (plus the tax rate on net investment income, if applicable) that would be applicable to such Protected Partner's (or Indirect Owner's) taxable income (taking into account the character and type of such income or gain) for the year with respect to which the taxes must be paid, assuming the aggregate amount of taxable income and gain of such Protected Partner for such year equals the amount of Protected Gain recognized and described in Section 4.1(i) or the aggregate income and gain recognized and described in Section 4.1(ii), as applicable; and, except as described in clause (i),, without regard to any deductions, losses or credits that may be available to such Protected Partner (or Indirect Owner) that would reduce or offset its actual taxable income or actual tax liability if such deductions, losses or credits could be utilized by the Protected Partner (or Indirect Owner) to offset other income, gain or taxes of the Protected Partner (or Indirect Owner), either in the current year, in earlier years, or in later years.

Section 4.2 Process for Determining Damages. If the Partnership has breached or violated any of the covenants set forth in Article 2 or Article 3 (or a Protected Partner asserts that the Partnership has breached or violated any of the covenants set forth in Article 2 or Article 3), the Partnership and the Protected Partner (or Indirect Owner) agree to negotiate in good faith to resolve any disagreements regarding any such breach or violation and the amount of damages, if any, payable to such Protected Partner (or Indirect Owner) under Section 4.1. If any such disagreement cannot be resolved by the Partnership and such Protected Partner (or Indirect Owner) within sixty (60) days after the receipt of notice from the Partnership of such breach and the amount of income to be recognized by reason thereof (or, if applicable, receipt by the Partnership of an assertion by a Protected Partner that the Partnership has breached or violated any of the covenants set forth in Article 2 or Article 3), the Partnership and the Protected Partner shall jointly retain a nationally recognized independent public accounting firm (an "Accounting Finn") to act as an arbitrator to resolve as expeditiously as possible all points of any such disagreement (including, without limitation, whether a breach of any of the covenants set forth in Article 2 or Article 3, has occurred and, if so, the amount of damages to which the Protected Partner is entitled as a result thereof, determined as set forth in Section 4.1). The Partnership and the Protected Partner shall cooperate with the Accounting Firm and shall furnish the Accounting Firm with all information reasonably requested by the Accounting Firm. All determinations made by the Accounting Firm with respect to the resolution of any breach or violation of any of the covenants set forth in Article 2 or Article 3 and the amount of damages payable to the Protected Partner under Section 4.1 shall be final, conclusive and binding on the Partnership and the Protected Partner. The fees and expenses of any Accounting Firm incurred in connection with any such determination shall be shared equally by the Partnership and the Protected Partner, provided that if the aggregate amount determined by the Accounting Firm to be owed by the Partnership to the Protected Partner is more than five percent (5%) higher than the amount proposed by the Partnership to be owed to such Protected Partner prior to the submission of the matter to the Accounting Finn, then all of the fees and expenses of any Accounting Firm incurred in connection with any such determination shall be paid by the Partnership and if the amount determined by the Accounting Firm to be owed by the Partnership to the Protected Partner is

more than five percent (5%) less than the amount proposed by the Partnership to be owed to such Protected Partner prior to the submission of the matter to the Accounting Firm, then all of the fees and expenses of any Accounting Firm incurred in connection with any such determination shall be paid by the Protected Partner.

Section 4.3 Required Notices; Time for Payment. In the event that there has been a breach of Article 2 or Article 3, the Partnership shall provide to each affected Protected Partner notice of the transaction or event giving rise to such breach not later than at such time as the Partnership provides to the Protected Partners the IRS Schedule K-1' s to the Partnership's federal income tax return for the year of such transaction. All payments required to be made under this Article 4 to any Protected Partner shall be made to such Protected Partner on or before April 15 of the year following the year in which the gain recognition event giving rise to such payment took place; provided that, if the Protected Partner is required to make estimated tax payments that would include such gain (taking into account all available safe harbors), the Partnership shall make a payment to the Protected Partner on or before the due date for such estimated tax payment and such payment from the Partnership shall be in an amount that corresponds to the amount of the estimated tax being paid by such Protected Partner at such time as a result of the gain recognition event, which payment shall be credited against the total amount payable under this Article 4. In the event of a payment made after the date required pursuant to this Section 4.3, interest shall accrue on the aggregate amount required to be paid from such date to the date of actual payment at a rate equal to the "prime rate" of interest, as published in the Wall Street Journal (or if no longer published there, an equivalent publication) effective as of the date the payment is required to be made.

Article 5
NOTICE OF INTENTION TO SELL GAIN LIMITATION PROPERTY DURING NOTICE PERIOD

During the Tax Protection Period, if the Partnership intends to dispose of a Gain Limitation Property in a taxable transaction, the Partnership shall use commercially reasonable efforts to provide at least 90 days' prior written notice (prior to the closing of such disposition) to the Protected Partners. Provided, such notice shall not be deemed to eliminate or modify any obligation of the Partnership pursuant to Article 3 or Article 4.

Article 6
SECTION 704(C) METHOD AND ALLOCATIONS

Notwithstanding any provision of the Partnership Agreement, the Partnership shall use the "traditional method" under Treasury Regulations Section 1.704-3(b) for purposes of making all allocations under Section 704(c) of the Code with respect to any Gain Limitation Property.

Article 7
AMENDMENT OF THIS AGREEMENT; WAIVER OF CERTAIN PROVISIONS

Section 7.1 Amendment. This Agreement may not be amended, directly or indirectly (including by reason of a merger between either the Partnership or the REIT and another entity) except by a written instrument signed by the REIT, the Partnership, and each of the Protected Partners to be subject to such amendment, provided, however, the Partnership, on the one hand, and a Protected Partner, on the other hand, may amend the terms of this Agreement as applied solely to such Protected Partner by a written instrument signed by the Partnership and such Protected Partner.

Section 7.2 Waiver. Notwithstanding the foregoing, upon written request by the Partnership, each Protected Partner, in its sole discretion, may waive the payment of any damages or indemnification amount that is otherwise payable to such Protected Partner pursuant to Article 4 hereof Such a waiver shall be effective only if obtained in writing from the affected Protected Partner. Any such waiver or consent shall be effective only in the specific instance and for the purpose of which given.

Article 8
MISCELLANEOUS

Section 8.1 Additional Actions and Documents. Each of the Parties hereby agrees to take or cause to be taken such further actions, to execute, deliver, and file or cause to be executed, delivered and filed such further documents, and will obtain such consents, as may be necessary or as may be reasonably requested in order to fully effectuate the purposes, terms and conditions of this Agreement.

Section 8.2 Assignment. Except as expressly set forth herein, no Party shall assign its or his rights or obligations under this Agreement, in whole or in part, except by operation of law, without the prior written consent of the other Parties, and any such assignment contrary to the terms hereof shall be null and void and of no force and effect. Notwithstanding the foregoing, the initial Protected Partner and any Indirect Owner may assign its rights without the need to obtain the prior consent of any other party, to any Indirect Owner or direct or indirect member, partner, or shareholder of such initial Protected Partner in connection with the distribution of any OP Units by the initial Protected Partner to such Indirect Owner or member, partner or shareholder of the initial Protected Partner or such Indirect Owner.

Section 8.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Protected Partners and their respective successors and permitted assigns, whether so expressed or not. This Agreement shall be binding upon the REIT, the Partnership, and any entity that is a direct or indirect successor, whether by merger, transfer, spin-off or otherwise, to all or substantially all of the assets of either the REIT or the Partnership (or any prior successor thereto as set forth in the preceding portion of this sentence), provided that none of the foregoing shall result in the release of liability of the REIT and the Partnership hereunder. The REIT and the Partnership covenant with and for the benefit of the Protected Partners not to undertake any transfer of all or substantially all of the assets of either entity (whether by merger, transfer, spin-off or otherwise) unless the transferee has acknowledged in writing and agreed in writing to be bound by this Agreement, provided that the foregoing shall not be deemed to permit any transaction otherwise prohibited by this Agreement.

Section 8.4 Modification: Waiver. No failure or delay on the part of any Party in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Parties are cumulative and not exclusive of any rights or remedies which they would otherwise have. No modification or waiver of any provision of this Agreement, nor consent to any departure by any Party 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 any Party in any case shall entitle such Party to any other or further notice or demand in similar or other circumstances.

Section 8.5 Representations and Warranties Regarding Authority: Noncontravention. Each of the REIT and the Partnership has the requisite corporate or other (as the case may be) power and authority to enter into this Agreement and to perform its respective obligations hereunder. The execution and delivery of this Agreement by each of the REIT and the Partnership and the performance of each of its respective obligations hereunder have been duly authorized by all necessary trust, partnership, or other (as the case may be) action on the part of each of the REIT and the Partnership. This Agreement has been duly executed and delivered by each of the REIT and the Partnership and constitutes a valid and binding obligation of each of the REIT and the Partnership, enforceable against each of the REIT and the Partnership in accordance with its terms, except as such enforcement may be limited by (i) applicable bankruptcy or insolvency laws (or other laws affecting creditors' rights generally) or (ii) general principles of equity. The execution and delivery of this Agreement by each of the REIT and the Partnership do not, and the performance by each of its respective obligations hereunder will not, conflict with, or result in any violation of (i) the Partnership Agreement or (ii) any other agreement applicable to the REIT and/or the Partnership, other than, in the case of clause (ii), any such conflicts or violations that would not materially adversely affect the performance by the Partnership and the REIT of their obligations hereunder.

Section 8.6 Captions. The Article and Section headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

Section 8.7 Notices. All notices and other communications given or made pursuant hereto shall be in writing, shall be deemed to have been duly given or made as of the date delivered, mailed or transmitted, and shall be effective upon receipt, if delivered personally, mailed by U.S. registered or certified mail (postage prepaid, return receipt requested) to the Parties at the following addresses (or at such other address for a Party as shall be specified by like changes of address) or sent by email to the email addresses specified below:

(a) if to the REIT or the Partnership, to:

Generation Income Properties, Inc.
401 East Jackson Street, Suite 3300
Tampa, Florida 33602
Attention: David Sobelman
Email:

(b) if to a Protected Partner, to the address on file with the Partnership.

Each Party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication which shall be hand delivered, sent, mailed, or emailed in the manner described above, or which shall be delivered to a telegraph Partnership, shall be deemed sufficiently given, served, sent, received or delivered for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, or (with respect to a telecopy or telex) the answerback being deemed conclusive, but not exclusive, evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

Section 8.8 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

Section 8.9 Governing Law. The interpretation and construction of this Agreement, and all matters relating thereto, shall be governed by the laws of the State of Delaware, without regard to the choice of law provisions thereof.

Section 8.10 Consent to Jurisdiction: Enforceability.

(a) This Agreement and the duties and obligations of the Parties shall be enforceable against any of the other Parties in the courts of the Commonwealth of Virginia. For such purpose, each Party and the Protected Partners hereby irrevocably submits to the nonexclusive jurisdiction of such courts and agrees that all claims in respect of this Agreement may be heard and determined in any of such courts.

(b) Each Party hereby irrevocably agrees that a final judgment of any of the courts specified above in any action or proceeding relating to this Agreement shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 8.11 Severability. If any part of any provision of this Agreement shall be invalid or unenforceable in any respect, such part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of such provision or the remaining provisions of this Agreement.

Section 8.12 Tax Advice. Each Party acknowledges and agrees that it has not received and is not relying upon tax advice from any other Party and that it has and will continue to consult its own tax advisors with respect to the provisions of this Agreement. The REIT and Partnership make no representations or warranties as to the proper treatment of the Contribution, the treatment or effect of any Debt Guarantee, or the consequences of the transactions and elections contemplated by the Agreement, the Contribution Agreement and the Partnership Agreement for U.S. federal income tax purposes or any other tax purposes.

Section 8.13 Costs of Disputes. Except as otherwise expressly set forth in this Agreement, the nonprevailing Party in any dispute arising hereunder shall bear and pay the costs
and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred by the prevailing Party or Parties in connection with resolving such dispute.

Section 8.14 Joint and Several Liability. Each of the REIT and the Partnership agrees that it is jointly and severally liable for all obligations set forth under this Agreement.

[signatures on next page]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

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,
its General Partner

By: /s/ David Sobelman
David Sobelman
President

GREENWAL, L.C.,
a Virginia limited liability company

By: Robinson Development Group, Inc., its Manager

By: /s/ Anthony Smith
Anthony W. Smith
Senior Vice President

Schedule 2.1(b)

GREENWAL, L.C.

Assumed fair market value:	$11,800,000
Less estimated adjusted tax basis as of 9/27/2019:	$ 1.506,107
Protected Gain	$10,293 893

Schedule 3.1(a

Liabilities of no less than $4,956,049.

Exhibit 10.39

GUARANTY AGREEMENT

This Guaranty Agreement (the "Guaranty") is made effective as of the 21st day of April, 2021, by DAVID SOBELMAN, an individual ("Guarantor"), to and for the benefit of THE BANK OF TAMPA, a Florida banking corporation, its successors and/or assigns, as their interests may appear (hereinafter referred to as "Bank").

W I T N E S S E T H:

WHEREAS, Bank has extended that certain term loan in the original principal amount of Eight Hundred Fifty Thousand and No/100 Dollars ($850,000.00) (the "Loan") to GIPFL 702 TILLMAN PLACE, LLC, a Delaware limited liability company ("Borrower"); and

WHEREAS, subject to the occurrence of a Triggering Event (as defined below), Guarantor has agreed absolutely and unconditionally to guarantee (i) any and all debts, liabilities, obligations, agreements and undertakings of Borrower to Bank, (ii) the principal balance of the Loan from time to time outstanding, together with accrued and unpaid interest thereon, plus any and all costs and expenses that may be incurred by Bank in connection with its enforcement of, or its collection of amounts from time to time due and payable under, this Guaranty, the promissory note evidencing the Loan (as may be amended, restated, modified or supplemented at any time or from time to time, the "Note"), that certain Loan Agreement dated of even date herewith by and between Bank and Borrower (as may be amended, restated, modified or supplemented at any time or from time to time, the "Loan Agreement") and any and all other documents executed by Borrower or any other person in connection with the Loan, including all documents evidencing, securing or relating to the Loan (the Note, the Loan Agreement and all such other documents evidencing, securing or relating to the Loan being hereinafter collectively called the "Loan Documents"), and (iii) the performance by Borrower of all of its obligations under the Loan Documents. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Loan Agreement.

NOW, THEREFORE, for and in consideration of the premises, the funds advanced or to be advanced by Bank to Borrower, and in order to induce Bank to make the Loan to Borrower, Guarantor hereby:

1. Subject to and only upon the occurrence of a Triggering Event, absolutely and unconditionally guarantees, jointly and severally with all other persons or entities now or hereafter liable, (i) the prompt and punctual payment of (a) any and all debts, liabilities, obligations, agreements and undertakings of Borrower to Bank whether now existing or hereafter incurred, whether according to the present terms thereof, at any earlier or accelerated date or dates as provided therein, or pursuant to any extension of time or to any other change or changes in the terms, covenants and conditions thereof now or at any time hereafter made or granted, (b) all liabilities, obligations, agreements and undertakings of Borrower to Bank or its affiliates pursuant to any interest rate hedge agreement or other derivative transaction agreement, (c) all obligations of Borrower under the Note as the Note is hereafter amended, modified, extended, renewed, rearranged, compromised, increased or accelerated, (d) all indebtedness now or hereafter evidenced or secured by the Loan Documents, or any of them, and including any sums advanced and any expenses incurred by Bank pursuant to this Guaranty, the Note or the Loan Documents, and (e) all costs of collection and protection of Bank's rights, including attorneys' fees and all costs and expenses incurred by Bank to enforce any of its rights, remedies or recourses under the Loan Documents, including, without limitation, legal fees, servicing fees, trustee costs, transfer taxes and all other costs and expenses in connection with any foreclosure, deed in lieu of foreclosure or non-judicial sale of the Property, and (ii) the due and punctual performance and observance by Borrower of all of the other terms, covenants and conditions imposed on Borrower by the Loan Documents, whether according to the present terms thereof, at any earlier or accelerated date or dates as provided therein, or pursuant to any extension of time or to any other change or changes in the terms, covenants and conditions thereof now or at

any time hereafter made or granted. There shall be no liability of Guarantor under this Guaranty unless a Triggering Event has occurred. This Guaranty shall be deemed continuing and shall apply whether the obligations guaranteed hereby are secured by security agreements, collateral assignments, mortgages, securities or any other type or kind of security and whether such security is acquired in the regular course of business, by pledge or other collateral agreement or by purchase and whether any security is endorsed with or without recourse. This Guaranty is a guaranty of payment and not merely of collection.

2. Waives diligence, presentment, protest, notice of dishonor, demand for payment, extension of time of payment, notice of acceptance of this Guaranty, notice of nonpayment, nonpayment at maturity and all indulgences and notices of every kind, and further consents to (i) any and all forbearances and extensions of the time of payment of any or all of the obligations or indebtedness hereby guaranteed, (ii) any and all modifications to the terms, covenants and conditions of the Loan Documents, (iii) any and all substitutions, exchanges or releases of all or any part of the collateral for the Loan or for any obligations or indebtedness hereby guaranteed, and (iv) any and all releases of any other persons or entities now or hereafter liable for payment of the Loan or any portion thereof or for payment of any obligations or indebtedness hereby guaranteed or any portion thereof; it being the intention hereof that Guarantor shall remain liable under this Guaranty until the terms, covenants and conditions of the Loan Documents have been fully performed and observed by Borrower, notwithstanding any act, omission or event that might otherwise operate as a legal or equitable discharge of Guarantor. Guarantor hereby expressly waives any requirement of notice to, or any requirement that Bank obtain the further consent of, Guarantor in connection with any of the acts, omissions and events contemplated by the preceding sentence, regardless of the frequency with which they may occur, and further agrees that this Guaranty shall apply with equal force and effect to any and all renewals, modifications, re-castings, restructurings and consolidations of any or all of the obligations or indebtedness guaranteed hereby.

3. Waives any claim, right or remedy that Guarantor may now have or hereafter acquire against Borrower arising under or by reason of this Guaranty or Guarantor's performance of its obligations hereunder, including, without limitation, any claim, right or remedy of subrogation, reimbursement, exoneration, contribution or indemnification or participation in any claim, right or remedy of Bank against Borrower, or any security that Bank may now have or hereafter acquire, whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise.

4. Agrees that, if at any time all or any part of any payment theretofore applied by Bank to any indebtedness or liability of Borrower is, or must be, rescinded or returned by Bank for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of Borrower), then, to the extent such payment is or must be rescinded or returned, the indebtedness or liability to which the same was applied shall, for purposes of this Guaranty, be deemed to have continued in full force and effect notwithstanding such application, and this Guaranty shall continue to be effective or be reinstated, as the case may be, as to such indebtedness or liability as though such application had not been made.

5. Agrees that no act or omission of any kind by Bank, or any agent, officer or employee of Bank, or any of them, shall affect or impair this Guaranty and neither Bank nor any such agent, officer or employee shall have any duties to Guarantor. Guarantor hereby agrees that its obligations hereunder (i) are and shall be absolute and primary and shall be complete and binding as to Guarantor upon Guarantor's execution of this Guaranty, (ii) are not subject to any conditions precedent or otherwise, including, without limitation, any oral conditions, and (iii) are joint and several obligations of all parties executing this Guaranty.

6. Agrees that this Guaranty may be enforced by Bank without first resorting to or exhausting any other security or collateral or without first having recourse on the Loan Documents, or any of them, or to any property or security covered by any of the Loan Documents; provided, however, that nothing herein contained shall prevent Bank from first suing on the Loan Documents, or any of them.

7. Agrees that Bank may, from time to time, without notice to Guarantor, assign or transfer any or all of the obligations guaranteed hereby, or any interest therein; and notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, such obligations shall be and remain obligations guaranteed hereby, and each and every immediate and successive assignee or transferee of any of such obligations, or of any interest therein, shall, to the extent of the interest of such assignee or transferee in such obligation, be entitled to the benefits of this Guaranty to the same extent as if such assignee or transferee were Bank.

8. Agrees that the obligations of Guarantor hereunder shall be continuing and irrevocable, that no failure by Bank to exercise any of its rights under this Guaranty shall be a waiver of such rights or of any default hereunder by Guarantor and that no purported modification or waiver hereof shall be binding upon Bank unless the same is in writing and signed by a duly authorized officer of Bank.

9. Agrees that, wherever possible, each provision of this Guaranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guaranty shall be prohibited by or invalid under such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating or impairing the remainder of such provision or any other provisions of this Guaranty.

10. Agrees to pay all reasonable costs and expenses of every kind incurred by Bank (including, without limitation, the reasonable attorneys' and legal assistants' fees incurred by Bank for, or in connection with, advice, suit, appeal, any insolvency or other proceedings under the Federal Bankruptcy Code or otherwise) in connection with Bank's (i) enforcement of this Guaranty, (ii) enforcement of Bank's rights under the Loan Documents, (iii) realization on or protection of any collateral for this Guaranty, and (iv) collection of any amounts now or hereafter due to Bank pursuant to the Loan Documents or this Guaranty (including any amounts evidenced by one or more final judgments in favor of Bank).

11. Agrees to furnish to Bank (i) during the term of the Loan, as soon as available and, in any event, no later than twelve (12) months from the last submission of a personal financial statement from Guarantor, a personal financial statement of Guarantor in a form and detail acceptable to Bank; (ii) during the term of the Loan, as soon as practical and, in any event, within thirty (30) days of filing, copies of the federal income tax returns (including all schedules) of Guarantor, and, if requested by Bank, copies of any extensions of the filing date; (iii) within five (5) days after receipt of written request, any other financial material, information, reports, documents or summaries reasonably requested by Bank; and (iv) prompt written notification of any change in the condition of Guarantor, financial or otherwise, that may materially and adversely affect the ability of Guarantor to perform its obligations under this Guaranty.

12. Represents and warrants to Bank that (i) the financial statements for Guarantor that have been furnished to Bank disclose all known material liabilities, direct and contingent, as of their respective dates and there has been no change in the condition of Guarantor, financial or otherwise, since the date of the most recent financial statements furnished to Bank other than changes in the ordinary course of business, none of which changes has been materially adverse, and (ii) Guarantor shares a community of economic interest with Borrower and has received, or will receive, direct or indirect benefit from the making of this Guaranty and the obligations guaranteed hereby.

13. Represents to Bank that there is not now pending against or affecting Guarantor, nor to the knowledge of Guarantor is there threatened, any action, suit or proceeding at law or in equity or by or before any governmental authority (domestic or foreign) or any administrative agency which, if adversely determined, would materially impair or affect Guarantor's financial condition or operations.

14. Agrees that this Guaranty shall be construed in accordance with and governed by the laws of the State of Florida. In the event of any legal proceeding arising out of or related to this Guaranty, Guarantor consents to the jurisdiction and venue of any court located in Hillsborough County, Florida.

15. Agrees that this Guaranty shall inure to the benefit of Bank and its successors and assigns, and shall be binding upon and enforceable against Guarantor and its personal representatives, heirs, successors and assigns.

16. For purposes of this Guaranty, "Triggering Event" shall mean the occurrence of any of the following: (a) the Property or any part thereof becomes an asset in a bankruptcy, liquidation, insolvency or similar proceeding; (b) Borrower or any guarantor of the Loan commences a bankruptcy, liquidation, insolvency or similar proceeding or a bankruptcy, liquidation, insolvency or similar proceeding is commenced against Borrower or any guarantor of the Loan; (c) any application for the appointment of a custodian, receiver, trustee or examiner for Borrower or any guarantor of the Loan; (d) Borrower or any guarantor of the Loan makes an assignment for the benefit of creditors or admits in writing that it is insolvent or unable to pay its debts as they become due; (e) Borrower fails to deliver any report, financial statement, information or other reporting material as required under any of the Loan Documents within ten (10) business days of the date such reporting is due after a reasonable time to cure such default; (f) Borrower fails to obtain Bank's prior written consent to any Transfer (as defined below), other than Transfers expressly permitted under the Loan Documents; (g) any fraud, intentional misrepresentation or failure to disclose a material fact by Borrower, any guarantor of the Loan or any affiliate or agent of any of them in (i) the application for the Loan or the Loan Documents, (ii) any financial statement, certificate, report or other document furnished by Borrower or any guarantor of the Loan to Bank in connection with the Loan, or (iii) any request for Bank's consent made during the term of the Loan; (h) any misapplication or misappropriation of (i) insurance proceeds or condemnation awards in violation of the Loan Documents, or (ii) rent received by Borrower after the occurrence of an Event of Default; (i) any damage to or loss of all or any part of the Property as a result of waste, gross negligence or willful misconduct by Borrower or its agents; (j) any criminal acts, gross negligence or willful misconduct of Borrower, any guarantor of the Loan, any principal of Borrower or any affiliate of any of the foregoing resulting in the seizure, forfeiture or loss of all or any part of the Property; (k) if Borrower fails to obtain Bank's prior written consent to any financing or other lien or encumbrance affecting the Property; (1) if Borrower voluntarily terminates, defaults under (and such default is not cured within the period prescribed for same) or modifies any Lease in any material respect without Bank's prior written consent; (m) Borrower amends or modifies in any material respect, terminates, cancels or accepts a surrender of any Lease or waives any material term or provision of any Lease, in each case without Bank's prior written consent; (n) Borrower fails to pay any taxes or assessments against the Property but only to the extent that the revenue from the Property is sufficient to pay taxes; (o) Borrower fails to obtain and maintain any insurance policy in accordance with the Loan Documents but only to the extent that the revenue from the Property is sufficient to pay insurance premiums; or (p) the material breach of any representation, warranty, covenant or indemnification provision in that certain Environmental Agreement and Indemnity dated of even date herewith executed by Borrower and the guarantor(s) set forth on the signature pages thereto, the Loan Agreement or any other Loan Document concerning environmental laws, hazardous substances and asbestos. For purposes of this Guaranty, "Transfer" shall mean the sale, transfer, conveyance, mortgage, pledge or assignment of (i) the Property or any part thereof, or any direct legal or beneficial interest therein; or (ii) any ownership interest in Borrower.

17. JURY TRIAL WAIVER. NEITHER GUARANTOR, NOR ANY SUCCESSOR, HEIR OR PERSONAL REPRESENTATIVE OF GUARANTOR, OR BANK, NOR ANY PARTIES CLAIMING UNDER THEM, OR ANY SUCH OTHER PERSON OR ENTITY, SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR ANY OTHER LITIGATION PROCEDURE BASED UPON OR ARISING OUT OF THIS GUARANTY, ANY OF THE OTHER LOAN DOCUMENTS, ANY RELATED INSTRUMENT OR AGREEMENT, ANY COLLATERAL FOR THE PAYMENT HEREOF OR THE DEALINGS OR THE RELATIONSHIP BETWEEN OR AMONG SUCH PERSONS OR ENTITIES, OR ANY OF THEM. NEITHER GUARANTOR, NOR BANK NOR ANY SUCH PERSON OR ENTITY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH AN ACTION IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. GUARANTOR ACKNOWLEDGES THAT THE PROVISIONS OF THIS SECTION HAVE BEEN FULLY DISCUSSED BY GUARANTOR, BORROWER AND BANK, THAT GUARANTOR AND BORROWER WERE ABLY REPRESENTED BY LICENSED ATTORNEYS AT LAW IN THE NEGOTIATION OF THIS SECTION AND THAT GUARANTOR AND BORROWER BARGAINED AT ARM'S LENGTH AND IN GOOD FAITH AND WITHOUT COERCION OR DURESS.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty Agreement to be duly executed effective as of the date first above written.

GUARANTOR:

/s/ DAVID SOBELMAN
DAVID SOBELMAN, individually

[SIGNATURE PAGE TO GUARANTY AGREEMENT]

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT("Agreement") is made and entered into as of the Effective Date (hereinafter defined) by and between GIPFL JV 1106 Clearlake Road, LLC, a Delaware limited liability company **("Seller"),** with an address of 401 East Jackson Street, Suite 3300, Tampa, Florida 33602, Attn: David Sobelman;, with a required copy to Trenam Law, 200 Central Avenue, Suite 1600, St. Petersburg, Florida 33702, Attn: Timothy M. Hughes, Esq., and The Kissling Interests, LLC **("Purchaser"),** with an address of 350 Fifth Avenue, Suite 4304, New York, New York 10118, Attn: Anthony M. Kissling, with a required copy to Gaboriault & Pearsall, P.C., 237 Post Road West, Westport, Connecticut 06880, Attn: Steven W. Pearsall, Esq.

RECITALS

A. Seller is the owner in fee simple of certain real property situated in the City of Cocoa, County of Brevard, State of Florida, said real property being identified as approximately 1.518 acres with an approximately 14,931 sf retail building, being further identified as 1106 Clearlake Road, Cocoa, FL 32922; Parcel ID Number # 24-3629-27-A-1, and legally described as set forth on Exhibit "A" attached hereto, together with all building, fixtures and other improvements located thereon, and together with all easements, tenements, hereditaments, and appurtenances belonging thereto, the foregoing being hereinafter referred to as the **"Premises"** or the **"Property".**

B. Seller has agreed to convey the Premises to Purchaser and Purchaser is desirous of purchasing the same.

NOW, THEREFORE, in consideration of the sum of One ($1.00) Dollars and other covenants and agreements herein contained, the parties hereto agree as follows:

AGREEMENT

1.0 Premises To Be Purchased. Subject to compliance with the terms and conditions of this Agreement, the Seller shall sell to Purchaser and Purchaser shall purchase from Seller the Premises.

2.0 Purchase Price. The purchase price **("Purchase Price")** shall be the sum of Five Million Three Hundred Fifty-Eight Thousand Six Hundred Thirty-Three and 00/100Doliars ($5,358,633.00), payable as follows:

2.1 The sum of One Hundred Thousand Dollars ($100,000.00) **("Initial Earnest Money")** paid in cash within two (2) business days of the full execution of this Agreement, to be held in a non-interest bearing attorney trust account or IOLTA of Gaboriault & Pearsall, P.C., as escrow agent **("Escrow Agent"),** with an address of 237 Post Road West, Westport, Connecticut 06880 and applied to the Purchase Price on the date of the Closing (as such term is defined in Section 9.0 below).

2.2 An additional sum of One Hundred Thousand Dollars ($100,000.00) **("Additional Earnest Money")** paid in cash within two (2) business days after the expiration of the Due Diligence Period (as such term is. defined in Section 7.0 below), to be held in the same account as the Initial Earnest Money by the Escrow Agent and applied to the Purchase Price on the date of the Closing. The Initial Earnest Money and the Additional Earnest Money are hereinafter, collectively, referred to as the **"Earnest Money".**

2.3 The balance of the Purchase Price shall be paid, either by cash or Federal Reserve wire transfer of immediately available funds to the account of the Title Company (defined below) on the date of the Closing.

3.0 Title to Be Delivered. Seller agrees to convey marketable and insurable fee simple title in the Premises to Purchaser through delivery of a Special Warranty Deed **("Deed")** free and clear of all liens and encumbrances except for the Permitted Exceptions (as such term is defined in Section 4.1 below).

4.0 TitleObjections.

4.1 Title Policy, Title Review. Purchaser's obligation to consummate the transaction contemplated hereby is conditioned upon Purchaser's ability to obtain, at Purchaser's expense and at standard rates, an owner's policy of title insurance in an amount no less than the Purchase Price (the **"Title Policy").** Within twenty (20) days of the Effective Date, Purchaser shall, at its own expense, cause a national title insurance company (the **"Title Company")** to issue and deliver to Purchaser an ALTA Form 2012 (Florida) title insurance commitment (the**"Title Commitment")** for the Title Policy. The Title Commitment shall evidence that upon the execution, delivery and recordation of the Deed (which shall be delivered by Seller at the Closing provided for hereunder) and the satisfaction of all requirements specified in Schedule B, Section 1 of the Title Commitment, Purchaser shall acquire fee simple title to the Property, subject only to the "Permitted Exceptions." For purposes of this Agreement, the term **"Permitted Exceptions"** shall mean: (i) applicable zoning and building ordinances and land use regulations; (ii) the lien of any and all taxes and assessments not yet due and payable; (iii) easements, licenses, covenants, conditions, restrictions, leases, reservations, exceptions and other encumbrances referenced in the Title Commitment and not specifically objected to by Purchaser in the Notice of Title Objections (defined below); (iv) any matters that would be disclosed by an accurate survey of the Property; (v) any exceptions caused by Purchaser, his agents, representatives or employees; (vi) any matters accepted or deemed accepted by Purchaser pursuant to the terms and conditions of this Agreement, (vii) any matters agreed to by the parties in writing, and (viii) that certain Lease with Walgreen Co. **("Tenant")** dated May 27, 1997, as amended and assigned from time to time, which lease is evidenced by that certain Memorandum of Lease recorded on June 2, 1997, in Official Records Book 3677, Page 2300 and that certain Memorandum of Assignment of Lease recorded on September 12, 2019, in Official Records Book 8535, Page 2628, each of the public records of Brevard County, Florida (collectively, the **"Lease").**

Within fifteen (15) days after Purchaser's receipt of the Title Commitment, Purchaser shall give written notice to Seller of any matters that are objectionable to, or deemed a title defect, by Purchaser **("Notice of Title Objections").** Any title defect to which Purchaser does not timely object shall be deemed a Permitted Exception hereunder. Notwithstanding anything in this Agreement to the contrary, Seller shall be obligated to cure the following defects to the extent that and only to the extent that the same are specified in the Title Commitment and in Purchaser's Notice of Title Objections (collectively, the **"Mandatory Cure Defects"):** (a) mortgages arising through Seller, (b) construction liens arising through Seller, (c) back taxes on the Property that are due and payable, (d) judgment liens arising through Seller, and (e) other liens or encumbrances arising through Seller and securing a specific dollar amount. As to any defects other than Mandatory Cure Defects, Seller shall have fifteen (15) days from receipt of the Notice of Title Objections in which to elect either to (i) notify Purchaser that it intends to cure the identified objections and defects on or before the Closing Date (the **"Title Cure Period")** and Seller shall use reasonable efforts to cure such objections and defects; or (ii) notify Purchaser that Seller elects not to cure the objections or alleged defects. In the event Seller fails to deliver a response within fifteen (15) days after receipt from Purchaser of the Notice of Title Objections, Seller shall be deemed to have elected not to cure or eliminate said objections and alleged title defects. Purchaser shall have until the later of the expiration of the Due Diligence Period or ten (10) days from receipt of Seller's notice, or Seller's deemed notice, of its election not to cure Purchaser's objections and alleged title defects (whichever is later), in which to elect either (x) to terminate the Agreement, or (y) to require Seller to deliver title in its then existing condition (with no reduction in the Purchase Price) and to proceed to Closing notwithstanding the objections to title raised by Purchaser, yet still subject to Seller's obligation to cure the Mandatory Cure Defects. The foregoing remedies shall constitute the exclusive remedies of Purchaser for such failure to deliver title as herein specified.

4.2 Survey. Purchaser may, on before the expiration of the Due Diligence Period, cause an ALTA/NSPS land title survey (the **"Survey")** of the Property to be prepared by a professional surveyor registered and licensed in the State of Florida (the **"Surveyor").** Such Survey, if any, shall depict the Property by metes and bounds description. The Survey shall be certified by the Surveyor to Purchaser, Seller and the Title Company and shall otherwise be in a form satisfactory to the Title Company to eliminate the standard survey exceptions from the Title Policy to be issued at Closing. Upon completion of the Survey, Purchaser shall furnish Seller with two (2) signed and sealed original prints thereof. Purchaser shall notify Seller in writing within the Due Diligence Period of any matters shown on the Survey which adversely affect the title to the Property and the same shall be deemed to be Title Defects which shall be dealt with within the same time, manner, and subject to the limitations provided in Section 4.1 above. Any matters shown on the Survey which Purchaser does not timely object shall be deemed a Permitted Exception hereunder.

5.0 Control Of Premises. If, prior to the Closing, the Premises shall be the subject of (i) an action in eminent domain or a proposed taking by a governmental authority, whether temporary or permanent **("Taking")** or (ii) a material casualty in which the cost of restoration exceeds five percent (5%) of the Purchase Price **("Casualty"),** Purchaser, at its sole election, shall have the right to terminate this Agreement on notice to Seller without liability on its part by so notifying Seller, and Earnest Money paid by Purchaser shall be refunded to Purchaser. If the Purchaser does not exercise its right of termination, any and all proceeds (including all insurance proceeds and any deductible under Seller's policy) arising out of any such Taking or Casualty shall be held in trust by Seller for Purchaser's benefit and shall be credited against the Purchase Price. In no event shall the Purchase Price of the Premises be increased by the amount of any such proceeds.

6.0 Representations and Warranties of Seller. As an essential part of this Agreement, Seller hereby represents and warrants to Purchaser that, to the best of Seller's knowledge:

6.1 Seller has not received any written notices of or violations of law or municipal ordinances, orders from any governmental authority having jurisdiction over the Premises.

6.2 No actions, suits or proceedings at law or in equity, administratively or otherwise, have been instituted or threatened against or affect Seller or the Premises.

6.3 No condemnation or eminent domain proceedings are now pending nor is Seller aware of any such proceedings being contemplated against the Premises.

6.4 Seller is the sole owner of the Premises with full power and authority to sell same, and the person executing this contract on behalf of the Seller is authorized to do so and has the power to bind Seller.

6.5 Seller has good, insurable and marketable fee simple title interest to the Premises, subject to the Permitted Exceptions.

6.6 That on the date of Closing, the Premises will be free and clear of all liens, security interests, encumbrances, leases, except for the Permitted Exceptions.

6.7 (i) The Lease is in full force and effect and has not been modified, amended or extended except as set disclosed by Seller to Purchaser; (ii) the rents set forth on the Rent Schedule attached hereto as Exhibit "B" (the **"Rent Schedule")** are being collected on a current basis and there are no arrearages in excess of one (1) month; (iv) Tenant is not entitled to any rental concessions or abatements for any period subsequent to the schedule date of Closing; (v) Seller has not sent written notice to the Tenant claiming that Tenant is in default, which default remains uncured; (vi) no action or proceeding instituted against Seller by Tenant of the Premises is presently pending in any court; (vii) there is no security deposits under the Lease other than as set forth in the Rent Schedule; (viii) there are no current unpaid leasing commissions required to be paid by the landlord under the Lease for which Purchaser shall become liable; and (ix) Seller has not consented to any assignment or subletting of Lease by Tenant.

6.8 Except as may be disclosed in the Due Diligence Materials (as such term is defined in Section 7.0 below), Seller has not received any written notice of any claim, demand, action or proceeding of any kind relating to any past or present Release of any Hazardous Substances in, on or under the Property.

As used in the Agreement, the following definitions shall apply: **"Environmental Laws"** shall mean all federal, state and local laws, ordinances, rules and regulation snow or hereinafter in force, as amended from time to time, and all federal and state court decision, consent decrees and orders interpreting or enforcing any of the foregoing, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, and includes, without limitation, the Comprehensive Environmental Response, Compensaton and Liability Act of 1980, 42 U.S.C. §9601, et seq., the Resource Conservation and Recovery Act 42 U.S.C. §6901, et seq., and the Clean Water Act, 33 U.S.C. §1251, et seq. For purposes of the Acreement, the term **"Hazardous Substances"** shall mean any substance or material that is described as a toxic or hazardous of substance, waste or material or a pollutant or contaminant, or wordsimilar import, in any of the ude Environmental Laws, and includes asbestos, petroleum (including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gausable for fuel, or any mixture thereof), petroleum products, polychlorinated biphenyls, urea formalehyde, radon gas, radioactive matter, medical waste, and chemicals which may cause cancer or r shallproductive toxicity. **"Release"** mean any spilling, pumping, pouring, emitting, emptying, di dumping orcharging, injecting, leaching, s disposing into the environment of Hazardous Substance water oronto or through soil, surface groundwater.

6.9 Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended.

Any representation made to Seller's "knowledge" will not be deemed to imply any duty of inquiry or investigation. For purposes of the Agreement, the term **"Seller's knowledge"** means the current, actual knowledge of David Sobelman without any independent investigation or inquiry whatsoever and willgot be construed to refer to the knowledge of any other officer, director, agent, employee or representative of Seller, or any affiliate of Seller, or to impose upon such party any duty to investigate the matter to which such actual knovledge or the absence thereof pertains, or to impose upon such party any individual personal liability. David Sobelmin shall not be deemed to be a party to the Agreement nor to have made any representations or warranties hereunderand no recourse shall be had to such individual for any of Seller's representations and warranties hereunder (andPurchaser hereby waives any liability of or recourse against such individuals).

All of Seller's representations and warranties shall be deemed remade as of the date of the Closing and shall survive the Closing for a period of one (1) year.

7.0 Representations and Warranties of Purchaser. As an essential part of this greement, Purchaser hereby represents and warrants to Seller that:

7.1 Purchaser has the right, power and authority to enter into the Agreement and to purchase the Property in accordance with the terms and conditions of the Agreement, to engage in the transactions contemplated in the Agreement and to perform and observe the terms and provisions hereof.

7.2 Purchaser has taken, or by the time of Closing will have taken, all necessary action to authorize the execution, delivery and performance of the Agreement, and upon the execution and delivery of any document to be delivered by Purchaser on or prior to the Closing, the Agreement and such document shall constitute the valid and binding obligation and agreement of Purchaser, enforceable against Purchaser in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws of general application affecting the rights and remedies of creditors.

7.3 Neither the execution, delivery or performance of the Agreement by Purchaser, nor compliance with the terms and provisions hereof, will result in any breach of the terms, conditions or provisions of, or conflict with or constitute a default under the terms of any indenture, deed to secure debt, mortgage, deed of trust, note, evidence of indebtedness or any other agreement or instrument by which Purchaser is bound.

7.4 No petition in bankruptcy (voluntary or, to the best of Purchaser's knowledge, otherwise), assignment for the benefit of creditors or petition seeking reorganization or arrangement or other action under federal or state bankruptcy or insolvency laws is pending against or contemplated by Purchaser.

7.5 None of the funds to be used for payment by Purchaser of the Purchase Price will be subject to 18 U.S.C. §§ 1956-1957 (Laundering of Money Instruments), 18 U.S.C. §§ 981-986 (Federal Asset Forfeiture), 18 U.S.C. §§ 881 (Drug Property Seizure), Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001, or the United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (the **"USA Patriot Act").** In addition, Purchaser is not, and will not become, a person or entity with whom U.S. persons are restricted from doing business with under the regulations of the Office of Foreign Asset Control **("OFAC")** of the Department of Treasury (including those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), the USA Patriot Act, or other governmental action.

All of Purchaser's representations and warranties shall be deemed remade as of the date of the Closing and shall survive the Closing.

8.0 Purchaser Inspection Rights: Evidence of Title; Information in Seller's Possession.

8.1 Purchaser shall have the latter of thirty (30) days to inspect the Property (the **"Due Diligence Period")** from the Effective Date of the Purchase Agreement or the date of Seller's delivery to Purchaser of the last of the Due Diligence Materials (defined below), which delivery shall be confirmed by Seller providing written notice to Purchaser to that effect, whichever occurs later. Purchaser shall undertake an inspection and examination of all aspects of the Property, including but not limited to: review of economic, legal, environmental, future development, zoning and physical matters relating to the Property as Purchaser may deem appropriate, including but not limited to curb cut, roadway improvement, and permitting matters. Purchaser or Purchaser's agents may enter upon the Property during normal business hours (or otherwise with a minimum of 24 hours' advance written notice) for the purpose of conducting any tests and examinations as they may deem appropriate, both during the Due Diligence Period and subsequent thereto so long as this Agreement

remains in full force and effect. All such inspections shall be performed in compliance with Seller's rights and obligations as landlord under the Lease. Further, Purchaser shall use commercially reasonable efforts to not affect, interrupt or interfere with Tenant's use, business or operations on the Premises. Seller or its representatives shall have the right to accompany Purchaser and Purchaser representatives in connection with any inspections and other activities on the Property. In the event the Property is disturbed or damaged in any manner by Purchaser or Purchaser's agents in the accomplishment of such tests, Purchaser agrees to immediately thereafter restore the Premises to its prior existing condition. Purchaser shall indemnify, defend and hold Seller harmless from and against any and all expense, loss or damage which Seller may incur (including, without limitation, reasonable attorney's fees actually incurred) as a result of any act or omission of Purchaser or its representatives, agents or contractors, including all claims for death of or injury to persons or damage of property arising out of or as a result of the activities of Purchaser or Purchaser's agents. In no event shall Purchaser conduct any invasive testing on the Premises without the advance written consent of Seller, which consent shall not be unreasonably withheld, conditioned or denied.

8.2 Purchaser shall not permit any construction, mechanic's, materialman's or other lien to be filed against any of the Property as the result of any work, labor, service or materials performed or furnished, by, for or to Purchaser, its employees, agents and/or contractors. If any such lien shall at any time be filed against the Property, Purchaser shall, without expense to Seller, cause the same to be discharged of record by payment, bonds, order of a court of competent jurisdiction or otherwise, within thirty (30) days of the filing thereof. Purchaser shall indemnify, defend and hold harmless Seller against any and all claims, losses, damages, costs and expenses (including, but not limited to, attorneys' fees and costs), arising out of the filing of any such liens and/or the failure of Purchaser to cause the discharge thereof as same is provided herein.

8.3 Purchaser shall procure (or shall cause its agents or representatives entering the Property to procure) and continue in force and effect from and after the date Purchaser first desires to enter the Property, and continuing throughout the term of this Agreement, the following insurance coverages placed with a responsible insurance company licensed to do business in the State of Florida having an A.M. Best's rating of "A-IX" or better: comprehensive general liability insurance with a combined single limit of not less than $1,000,000.00 per occurrence or commercial general liability insurance with limits of not less than $1,000,000.00 per occurrence and in the aggregate. To the extent such $1,000,000.00 limit of liability is shared with multiple properties, a per location aggregate shall be included. Seller and/or its designees shall be included as additional insureds under such comprehensive general liability or commercial general liability coverage. Purchaser shall deliver to Seller a certificate of such insurance evidencing such coverage prior to the date Purchaser is permitted to enter the Property. Such insurance may not be cancelled or amended except upon thirty (30) days' prior written notice to Seller. The minimum levels of insurance coverage to be maintained by Purchaser hereunder shall not limit Purchaser's liability under this Section 7.

8.4 Purchaser, at its option, shall have the right to terminate this Agreement for any reason whatsoever or for no reason during the Due Diligence Period, whereupon the Earnest Money will immediately be returned to Purchaser and neither party will have any further rights, remedies or obligations hereunder, except those that expressly survive termination of this Agreement.

8.5 Within five (5) business days of the Effective Date, Seller shall deliver to Purchaser, or make available to Purchaser through an the use of an electronic data room, copies of the documents and materials described on Exhibit C attached hereto (collectively, the **"Due Diligence Materials"),** each to the extent they exist and are in Seller's possession or reasonable control. Purchaser hereby acknowledges, covenants, and agrees that any information provided by Seller to Purchaser based

upon any reports, surveys, permits, plans, approvals, and all other information and documentation obtained by or for Seller and delivered to Purchaser either before the Effective Date or pursuant to this Section 7.5 are provided to Purchaser for informational purposes only and are without representation or warranty of any kind whatsoever, either express or implied and is without recourse to Seller with respect to the accuracy of any information or statements contained therein. Purchaser further acknowledges that Purchaser has been advised not to rely upon such documents without making an independent investigation or inquiry as to the accuracy of the information or statements contained in the information provided by Seller. Purchaser hereby releases Seller from any and all claims Purchaser might otherwise have based upon any reports, surveys, permits, plans, approvals, and all other information and documentation obtained by or for Seller and delivered to Purchaser, except for claims arising from or related to fraud committed by Seller or a willful and intentional misrepresentation made by Seller.

The foregoing provisions of Section 8 shall survive the termination of this Agreement.

9.0 Seller'sCovenants. Seller covenants that between the Effective Date and the date of the Closing:

9.1 Sellershall not amend, renew, extend or terminate the Lease.

9.2 Seller shall not permit the occupancy of the Premises, or any part thereof, by anyone other than Tenant.

9.3 Seller shall continue to perform in all material respects all of its obligations under the Lease consistent with the terms and conditions of the Lease.

9.4 Seller shall not enter into, modify or amend any service contract affecting the Premises that will be an obligation on or otherwise affect the Property or any part thereof subsequent to the Closing without Purchaser's prior written consent in each instance, which consent shall not be unreasonably withheld, conditioned or delayed, except contracts entered into in the ordinary course of business that shall be terminated at Closing without penalty or premium to Purchaser.

9.5 Seller shall maintain in full force and effect until the Closing all insurance policies that Seller presently has in effect.

9.6 No fixtures, equipment or personal property owned by Seller, if any, and included in this sale shall be removed from the Premises unless the same are replaced with items of at least equal quality prior to the Closing.

9.7 Seller shall not withdraw, settle or otherwise compromise any protest or reduction proceeding affecting real estate taxes assessed against the Premises for any fiscal period in which the Closing is to occur or any subsequent fiscal period without the prior written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed.

9.8 Waiver of Right of First Refusal. Purchaser acknowledges and agrees that the Lease contains a right of first refusal in favor of the Tenant (the **"ROFR").** Seller shall forthwith, but in any event no later than within three (3) business days after the date Purchaser deposits the Initial Earnest Money with Escrow Agent, Seller shall provide written notice to Tenant of the transaction represented in this Agreement consistent with the terms and conditions of the Lease (the **"ROFR Notice"),** and Seller shall provide a copy of same to Purchaser when made. Pursuant to the Lease, the ROFR must be exercised by the Tenant within forty-five (45) days of the Tenant's receipt of the ROFR Notice. If the Tenant (i) responds to the ROFR Notice by informing Seller that it does not elect to exercise the

ROFR as it pertains to this transaction, or (ii) fails to respond in writing to the ROFR Notice within the required time frame set forth in the Lease in order to exercise the ROFR, then, as a condition precedent to Purchaser's obligation to close on the sale and purchase of the Property pursuant to this Agreement, Seller shall execute and deliver to Purchaser, on or before Closing an original, executed affidavit in form reasonably acceptable to the Title Company attesting to Seller's delivery of the ROFR Notice pursuant to the Lease and either the Tenant's election not to exercise the ROFR or the Tenant's failure to timely respond to same so as to allow the Title Company to issue the Title Policy without exception for the ROFR **("Seller's ROFR Affidavit").** In the event Seller is unable to deliver the Seller's ROFR Affidavit, or if the Tenant has elected in writing to exercise its ROFR, then either Seller or Purchaser shall have the right to terminate this Agreement by providing written notice to the other party, in which case the portion of the Earnest Money Deposit paid by Purchaser shall be immediately returned to Purchaser and the parties hereto shall have no further rights or obligations, other than those that by their terms survive the termination of this Agreement. Notwithstanding anything in this Agreement to the contrary, Seller's inability to deliver the Seller's ROFR Affidavit due to Tenant's election to exercise the ROFR shall not constitute a default by Seller hereunder.

10.0 Closing. The consummation of the transaction contemplated by this Agreement **("Closing") shall take place** on or before the sixtieth (60th) day after the expiration of the Due Diligence Period (the **"Closing Date").** The Closing shall take place at, by and through the offices of the Title Company and may be conducted as a "mail-away" closing through the use of escrow instruction letters.

11.0 Seller's Closing Obligations and Closing Costs. Seller and Purchaser shall deliver the following to the Title Company or Purchaser, as applicable, at the Closing and the following closing costs and expenses shall be paid as follows in connection with the Closing:

11.1 Sellershall deliver the following to the Title Company at the Closing:

A. Deed.

B. A settlement statement setting forth the amounts paid by or on behalf of and/or credited to each of Purchaser and Seller pursuant to this Agreement.

C. An assignment and assumption of Lease in the form attached hereto as**SCHEDULE 1** (the **"Assignment and Assumption of Lease").**

D. A schedule of all security deposits under the Lease and a check or credit to Purchaser in the amount of such security deposits, including any interest thereon, held by Seller on the date of the Closing under the Lease.

E. A schedule updating the Rent Schedule and setting forth all arrears in rents and all prepayments of rents under the Lease.

F. A memorandum of assignment of Lease in form acceptable to Seller and Purchaser (the**"Memorandum of Assignment of Lease").**

G. An assignment of all intangible property to the extent assignable and owned by Seller, in the form attached hereto as**SCHEDULE 2** (the **"General Assignment").**

H. All certificates, licenses, permits, authorizations and approvals issued for or which are required with respect to the Premises by governmental and quasi-governmental authorities having jurisdiction that are in Sellers possession.

I. Such affidavits as Purchaser's title company shall reasonably require in order to omit from its title insurance policy all exceptions for judgments, bankruptcies or other returns against persons or entities whose names are the same as or similar to Seller's name.

J. Seller shall deliver all other non-confidential Property, building and tenant files and records to Purchaser, to the extent they exist and are in Seller's possession or control.

K. A letter, executed by Seller or by its agent, advising the Tenant of the sale of the Premises to Purchaser and directing that rents and other payments thereafter be sent to Purchaser or as Purchaser may direct.

L. Possession of the Premises in the condition required by this Agreement, subject to the Lease, and keys therefor.

M. A Certification of Non-Foreign status of Transferor to comply with the provisions of Section 1445 of the Internal Revenue Code.

N. A tenant estoppel from the Tenant **("Tenant Estoppel")** and, if requested by Purchaser's lender, a subordination, non-disturbance and attornment agreement executed by Tenant only **("SNDA"),** each in the form required by the Lease, if any; provided, however, that Seller's failure to deliver the Tenant Estoppel or the SNDA shall not constitute a default by Seller under this Agreement.

0. Such other documents as shall be reasonably requested by Purchaser's counsel or the Title Company to effectuate the purposes and intent of this Agreement.

11.2 Sellershall pay:

A. Transfer or conveyance taxes and documentary stamp taxes, if any.

B. Deed preparation.

C. Seller's attorneys' fees, and any other costs and expenses actually incurred by Seller in connection with selling the Premises.

D. A commission equal to one (1.0%) percent of the Purchase Price to be paid to Purchaser's broker, Carolina Commercial, LLC (the "Broker").

E. An acquisition fee equal to one (1.0%) percent of the Purchase Price to be to paid to Generation Income Properties, L.P.

11.3 Purchasershall pay the following costs in connection with the Closing:

A. Any mortgage recording or registry tax necessary to record any mortgages of the Purchaser, if any;

B. Title search and insurance costs.

C. Due diligence expenses.

D. Purchaser's attorneys' fees, and any other costs and expenses actually incurred by Purchaser in connection with buying the Premises.

11.4 Purchasershall deliver the following to the Title Company at the Closing:

A. The Assignment and Assumption of Lease;

B. The General Assignment;

C. A settlement statement setting forth the amounts paid by or on behalf of and/or credited to each of Purchaser and Seller pursuant to this Agreement.

D. Such other documents as shall be reasonably requested by Seller's counsel or the Title Company to effectuate the purposes and intent of this Agreement.

12.0 Prorations. At Closing, the net rent under the Lease and any other income and expenses due and payable in the year of Closing by Seller shall be prorated as of the Closing Date. If not paid or payable by Tenant, any real estate taxes and special assessments shall be prorated as of the Closing Date. Purchaser shall be responsible for collecting and remitting all sales and use taxes that become due on rent payments under the Lease received by Purchaser after Closing. The provisions of this Section shall survive the Closing.

13.0 Seller's Default. If Seller fails to perform any of its obligations under this Agreement for any reason other than Purchaser's default or the permitted termination of this Agreement by Purchaser as expressly provided herein, Purchaser shall be entitled, as its remedy, either (a) to terminate this Agreement and receive the return of the Earnest Money from Escrow Agent, together with Purchaser's actual out-of-pocket costs and expenses incurred with respect to this transaction (not to exceed $25,000) which shall be reimbursed by Seller to Purchaser within ten (10) business days after Purchaser's delivery of commercially reasonable documentation supporting such costs and expenses (in such event, the right to retain the Earnest Money plus costs shall be full liquidated damages and, except as set forth herein, shall be Purchaser's sole and exclusive remedy in the event of a default hereunder by Seller, and Purchaser hereby waives and releases any right to sue Seller for damages), or (b) to enforce specific performance of Seller's obligation to execute and deliver the documents required to convey the Property to Purchaser in accordance with this Agreement. If specific performance is not available to Purchaser as a result of Seller having sold the Property or any portion thereof to another party, or as a result of a willful and intentional act or omission of Seller, then, in addition to Purchaser's termination right and reimbursement referenced, Purchaser shall have all remedies available at law or in equity.

14.0 Purchaser's Default. Should Purchaser default, Seller shall be entitled to terminate this Agreement by giving Purchaser written notice thereof, and Seller shall retain, as liquidated damages, the Earnest Money Deposit; the parties hereto acknowledging that it is impossible to estimate more precisely the damages which might be suffered by Seller upon Purchaser's default, and that said Earnest Money Deposit is a reasonable estimate of Seller's probable loss in the event of default by Purchaser. Seller's retention of said Earnest Money Deposit is intended not as a penalty, but as full liquidated damages. In addition, notwithstanding anything to the contrary stated herein, nothing in this Section 13 is intended to nor shall limit the remedies available to Seller at law or in equity relating to a default of any repair, indemnification, hold harmless and defend obligations of Purchaser set forth in Section 7 of this Agreement or any other provisions which are intended to survive termination or Closing of this Agreement. The provisions of this Section 13 shall survive the Closing or the earlier termination of this Agreement.

15.0 Attorney's Fees; Costs. Should either party employ an attorney or attorneys to enforce any of the provisions hereof or to protect its interest in any manner arising under this Agreement or to establish breach of this Agreement, the non-prevailing party shall pay to the other party all reasonable costs, charges, expenses, including attorney's fees, expended or incurred in connection therewith. This provision is separate and several and shall survive the termination of this Agreement.

16.0 Tax-Free Exchange. Seller acknowledges having been advised that Purchaser may elect to treat the within transaction as part of a tax-free exchange transaction under Internal Revenue Code Section 1031. Seller agrees that it will make and execute any and all additional documents that may be required in connection with Purchaser's tax-free exchange transaction provided that the Seller does not assume any additional burdens or obligations and further provided that Seller does not incur any additional cost or expense.

17.0 Brokers. Seller and Purchaser mutually represent and warrant that Broker is the only broker with whom they have dealt in connection with this Agreement and that neither Seller nor Purchaser knows of any other broker who has claimed or may have the right to claim a commission in connection with this transaction. The commission of the Broker shall be paid pursuant to separate agreement by Seller. Seller and Purchaser shall indemnify and defend each other against any costs, claims or expenses, including attorneys' fees, arising out of the breach on their respective parts of any representations, warranties or agreements contained in this Section. Seller hereby discloses to Purchaser and Purchaser hereby acknowledges that David Sobelman, the President of Generation Income Properties, Inc., GIPLP's general partner, is a licensed real estate broker. The representations and obligations under this Section shall survive the Closing or, if the Closing does not occur, the termination of this Agreement.

18.0 EscrowAgent.

18.1 The tax identification numbers of the parties shall be furnished to Escrow Agent upon request of Escrow Agent. At the Closing, proceeds of the Earnest Money shall be paid by Escrow Agent to Seller. If for any reason the Closing does not occur and either party makes a written demand upon Escrow Agent for payment of such amount, Escrow Agent shall give written notice to the other party of such demand. If Escrow Agent does not receive a written objection from the other party to the proposed payment within ten (10) days after the giving of such notice, Escrow Agent is hereby authorized to make such payment. If Escrow Agent does receive such written objection within such ten (10) day period or if for any other reason Escrow Agent in good faith shall elect not to make such payment, Escrow Agent shall continue to hold such amount until otherwise directed by written instructions from the parties to this contract or a final judgment of a court. However, Escrow Agent shall have the right, only after dispute of the parties or this contract fails due to its terms, to deposit the escrowed proceeds with the clerk of any applicable court of the county in which the Premises is located. Escrow Agent shall give written notice of such deposit to Seller and Purchaser. Upon such deposit Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder.

18.2 The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent of either of the parties, and that Escrow Agent shall not be liable to either of the parties for any act or omission on its part unless taken or suffered, in bad faith, in willful disregard of this contract or involving gross negligence. Seller and Purchaser shall jointly and severally indemnify and hold Escrow Agent harmless from and against all costs, claims and expenses, including reasonable attorneys' fees, incurred in connection with the performance of Escrow Agent's duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith, in willful disregard of this contract or involving gross negligence on the part of Escrow Agent.

19.0 Miscellaneous.The following general provisions govern this Agreement.

19.1 Governing Law. This Agreement is made and executed under and in all respects to be governed and construed by the laws of the State of Florida.

19.2 Notices. Whenever any notice, demand or request is required or permitted under this Agreement, such notice, demand or request shall be in writing and shall be (i) delivered by hand, (ii) sent by registered or certified mail, postage prepaid, return receipt requested, (iii) sent by nationally recognized commercial courier for next business day delivery, in each such case described in (i), (ii) and (iii) to the addresses set forth in the preamble of this Agreement or to such other addresses as are specified by written notice given in accordance herewith, (iv) transmitted by facsimile to the number for each party set forth below or to such other facsimile number as is specified by written notice given in accordance herewith or (v) sent by electronic mail (email) to the electronic mail (email) address for each party set forth below or to such other electronic mail (email) address as is specified by written notice given in accordance herewith. Any notice or other communication (i) mailed as hereinabove provided shall be deemed effectively given or received on the third (3rd) business day following the postmark date of such notice or other communication, (ii) sent by overnight courier or by hand shall be deemed effectively given or received upon receipt, and (iii) sent by facsimile or email transmission shall be deemed effectively given or received on the day of transmission of such notice and electronic confirmation of such transmission is received by the transmitting party (such as "Delivery Receipt" generated by Microsoft Outlook). Any notice or other communication given in the manner provided above by counsel for either party shall be deemed to be notice or such other communication from the party represented by such counsel. Any notice sent as required hereby and refused by recipient shall be deemed delivered as of the date of such refusal.

19.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of each of the parties hereto.

19.4 Assignment. Purchaser may not assign this Agreement without Seller's prior written consent, which consent may be withheld or granted in Seller's reasonable discretion, provided, however, that Purchaser may assign this Agreement to an entity owned (in whole or in part), controlled, or under common control with Purchaser and formed by Purchaser for the purpose of taking title to the Property without Seller's prior written consent, provided that written notice of such assignment shall be given by Purchaser to Seller no later than 5 (five) business days prior to the Closing Date, and no such assignment shall relieve Purchaser of any obligations hereunder.

19.5 Intentionallydeleted.

19.6 Counterparts. This Agreement and any agreement or document described herein may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. Handwritten signatures to this Agreement or any agreement or document described herein transmitted by facsimile, email or other similar electronic transmission (for example, through the use of a Portable Document Format or "PDF" file), shall be valid and effective to bind the party so signing.

19.7 Severability. The provisions of this Agreement are severable, and the enforceability or invalidity of any term or provision of this Agreement shall not affect the enforceability and validity of the remaining terms and provisions of this Agreement. If any provision of this Agreement or the application thereof to any person or circumstance shall be determined by any Court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstance, other than those as to which it is so determined to be invalid or unenforceable, shall not be affected thereby.

19.8 Further Assurances. In addition to the foregoing, the Parties hereto, at the time and from time to time at or after Closing, upon the reasonable request of Purchaser or of Seller, as the case may be, agree to do, execute, acknowledge and deliver all such further reasonable deeds, assignments, transfers, conveyances, authorizations, filings, consents, and assurances, as may be reasonably required for the better assigning, transferring, granting, conveying, assuring and confirming unto Purchaser all of the applicable Seller's right, title and interest in and to the Property, to be conveyed hereunder; and to the more effective consummation of the other transactions referred to in this Agreement.

19.9 Headings. The use of headings, captions and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions in this Agreement and shall in no event be considered otherwise in construing or interpreting any provision in this Agreement.

19.10 Exhibits. Each and every exhibit referred to or otherwise mentioned in this Agreement is attached to this Agreement and is and shall be construed to be made a part of this Agreement by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if each exhibit were set forth in full and at length every time it is referred to or otherwise mentioned.

19.11 Defined Terms. Capitalized terms used in this Agreement shall have the meanings ascribed to them at the point where first defined, irrespective of where their use occurs, with the same effect as if the definitions of such terms were set forth in full and at length every time such terms are used.

19.12 Pronouns. Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural.

19,13 Non-Waiver. Failure by any party to complain of any action, non-action or breach of any other party shall not constitute a waiver of any aggrieved party's rights hereunder. Waiver by any party of any right arising from any breach by any other party shall not constitute a waiver of any other right arising from a subsequent breach of the same obligation or for any other default, past, present or future.

19.14 Dates and Times. If any date set forth in this Agreement shall fall on, or any time period set forth in this Agreement shall expire on, a day which is a Saturday, Sunday, federal or state holiday, or other non-business day, such date shall automatically be extended to, and the expiration of such time period shall automatically to be extended to, the next day which is not a Saturday, Sunday, federal or state holiday or other non-business day. The final day of any time period under this Agreement or any deadline under this Agreement shall be the specified day or date, and shall include the period of time through and including such specified day or date. All references to the **"Effective Date"** shall be deemed to refer to the later of the date of Purchaser's or Seller's execution of this Agreement, as indicated below their executions hereon. Any action required to be taken by a specified date may be taken at or before 11:59 p.m., daylight or standard time (as applicable) in the time zone where the Land is located.

19.15 Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department. This Agreement is not contingent upon Purchaser's approval of any testing relating to radon.

19.16 Exculpation. Purchaser agrees that it does not have and will not have any claims or causes of action against any disclosed or undisclosed officer, director, employee, trustee, shareholder, member, manager, partner, principal, parent, subsidiary or other affiliate of Seller, or any officer, director, employee, trustee, shareholder, partner or principal of any such parent, subsidiary or other affiliate (collectively, **"Seller's Affiliates"),** arising out of or in connection with this Agreement or the transactions contemplated hereby. Purchaser agrees to look solely to Seller and its assets for the satisfaction of any liability or obligation arising under this Agreement or the transactions contemplated hereby, or for the performance of any of the covenants, warranties or other agreements contained herein, and further agrees not to sue or otherwise seek to enforce any personal obligation against any of Sellers Affiliates with respect to any matters arising out of or in connection with this Agreement or the transactions contemplated hereby. The provisions of this paragraph shall survive the termination of this Agreement and the Closing.

19.17 No Recording. Neither this Agreement nor any memorandum thereof may be recorded by Purchaser in the Public Records of any County of any State.

19.18 WAIVER OF JURY TRIAL. PURCHASER AND SELLER WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY EACH PARTY AND EACH PARTY EXPRESSLY ACKNOWLEDGES THAT NEITHER THE OTHER PARTY NOR ANY PERSON ACTING ON BEHALF OF THE OTHER PARTY HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. EACH PARTY ACKNOWLEDGES TO THE OTHER THAT IT HAS READ AND UNDERSTANDS THE MEANING AND EFFECT OF THIS WAIVER PROVISION.

20.0 Contingencies. This Agreement is specifically contingent upon satisfaction or waiver by Purchaser of the following matters prior to the Closing:

A. Receipt by Purchaser of the Tenant Estoppel and SNDA, if requested *by* Purchaser's lender, each in form required by the Lease.

B. Tenant not being in default under the Lease.

C. Seller's delivery of the Seller's ROFR Affidavit.

D. Seller delivering marketable and insurable title to the Property at Closing subject only to the Permitted Exceptions.

These Contingencies shall run through Closing and in the event that Purchaser notifies Seller or Seller's agent on or before the Closing Date that any of these contingencies has not been satisfied, Purchaser shall have the contemporaneous right to terminate this Agreement with respect to all of the Premises and the Earnest Money previously paid shall be refunded to Purchaser.

21.0 AS-IS Condition. PURCHASER ACKNOWLEDGES AND AGREES THAT EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT OR IN ANY CLOSING DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT OR PRIOR TO CLOSING, SELLER IS TRANSFERRING THE PROPERTY IN "AS IS, WHERE IS CONDITION AND WITH ALL FAULTS" AS OF THE CLOSING DATE AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, AS TO ITS CONDITION, FITNESS FOR ANY. PARTICULAR PURPOSE, MERCHANTABILITY, OR ANY OTHER WARRANTY OF ANY KIND, NATURE,

OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER. PURCHASER AGREES THAT IT WILL PERFORM SUCH EXAMINATIONS AND INVESTIGATIONS OF THE PROPERTY AND THE FINANCIAL AND PHYSICAL CONDITION THEREOF AS NEEDED AND NECESSARY. EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT OR IN ANY CLOSING DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT OR PRIOR TO CLOSING, SELLER SPECIFICALLY DISCLAIMS, AND PURCHASER IS NOT RELYING ON ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, MADE BY SELLER, OR ANY AGENT, AFFILIATE, REPRESENTATIVE, EMPLOYEE OR PRINCIPAL OF SELLER WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE PRESENCE OF ANY HAZARDOUS SUBSTANCES (AS SUCH TERM IS DEFINED BY APPLICABLE LAW) AT, ON, UPON OR UNDER THE PROPERTY. EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT OR IN ANY CLOSING DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT OR PRIOR TO CLOSING, SELLER SHALL HAVE NO LIABILITY TO PURCHASER WITH RESPECT TO THE CONDITION OF THE PROPERTY UNDER COMMON LAW, OR ANY FEDERAL, STATE, OR LOCAL LAW OR REGULATION.

PURCHASER REPRESENTS TO SELLER THAT PURCHASER WILL CONDUCT PRIOR TO CLOSING, SUCH INVESTIGATIONS OF THE PROPERTY AS PURCHASER DEEMS NECESSARY OR DESIRABLE TO SATISFY HIMSELF/ITSELF AS TO ANY MATTER RELATING TO THE PROPERTY AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER, SELLER'S AGENTS, EMPLOYEES OR THIRD PARTIES REPRESENTING, OR PURPORTING TO REPRESENT SELLER, WITH RESPECT THERETO OTHER THAN THE REPRESENTATIONS OR WARRANTIES OF SELLER SET FORTH IN THE AGREEMENT OR IN ANY CLOSING DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT OR PRIOR TO CLOSING. EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT OR IN ANY CLOSING DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT OR PRIOR TO CLOSING, UPON CLOSING, PURCHASER SHALL ASSUME THE RISK THAT ADVERSE MATTERS REGARDING THE PROPERTY MAY NOT HAVE BEEN REVEALED BY PURCHASER'S INVESTIGATIONS, AND PURCHASER, UPON CLOSING, SHALL BE DEEMED, ON BEHALF OF ITSELF AND ON BEHALF OF ITS TRANSFEREES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO WAIVE, RELINQUISH, RELEASE AND FOREVER DISCHARGE SELLER AND SELLER'S AFFILIATES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, BY REASON OF OR ARISING OUT OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, BY REASON OF OR ARISING OUT OF ANY LATENT OR PATENT DEFECT OR OTHER PHYSICAL CONDITION WHETHER PURSUANT TO STATUTES IN EFFECT IN THE STATE OF FLORIDA OR ANY FEDERAL OR LOCAL ENVIRONMENTAL OR HEALTH AND SAFETY LAW OR REGULATION, THE EXISTENCE OF ANY HAZARDOUS SUBSTANCES WHATSOEVER, ON, AT, TO, IN, ABOVE, ABOUT, UNDER, FROM OR IN THE VICINITY OF THE PROPERTY, OR BY REASON OF ANY VIOLATION OF ANY SUBDIVISION LAW, RULE OR REGULATION APPLICABLE TO THE PROPERTY WHETHER ARISING PURSUANT TO STATUTES IN EFFECT IN THE STATE OF FLORIDA OR ANY LOCAL ORDINANCE, LAW, RULE OR REGULATION. PURCHASER'S RELEASE OF SELLER AS SET FORTH IN THIS SECTION 17 SHALL NOT PERTAIN TO ANY CLAIM OR CAUSE OF ACTION BY PURCHASER AGAINST SELLER FOR A BREACH BY SELLER OF THE WARRANTY OF TITLE INCLUDED IN THE DEED OR THE BREACH BY SELLER OF ANY REPRESENTATION OR WARRANTY EXPRESSLY SET FORTH IN THE AGREEMENT OR IN ANY CLOSING DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT OR PRIOR TO CLOSING.

The provisions of this Section 20 shall survive the Closing. Purchaser and Seller acknowledge and agree that the disclaimers and other agreements set forth herein are an integral part of the Agreement and that Seller would not have agreed to sell the Property to Purchaser for the Purchase Price and Purchaser would not have agreed to enter into the transaction contemplated by the Agreement without such disclaimers and other agreements set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

PURCHASER:

The Kissling Interest, LLC

By: /s/ Anthony M Kissling
Anthony M. Kissling
Its Sole Manager
Execution Date: 6-7-21

SELLER

GIPFL JV 1106 Clearlake Road, LLC, a Delaware limited liability company

By: Generation Income Properties, LP, a Delaware limited partnership
Its manager

By: Generation Income Properties, Inc., a Maryland corporation, its General Partner

By: /s/ David Sobelman
David Sobelman
Its President

Execution Date: 6-8-21

Exhibit 21.1

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
GIPFL 508 S Howard Ave, LLC	Delaware
GIPNC 201 Etheridge Road LLC	Delaware
GIPFL 702 Tillman Place, LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the inclusion in this Amendment No. 6 to Registration Statement on Form S-11 of our report dated March 12, 2021 with respect to the audited consolidated financial statements of Generation Income Properties, Inc. for the years ended December 31, 2020 and 2019.

We also consent to the references to us under the heading "Experts" in such Registration Statement.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
June 17, 2021

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 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. GIP Fund 1 disposed of its sole property on November 30, 2020 by exchanging its sole property in exchange for 24,309 units in GIP LP. Following our acquisition of this property, GIP Fund I was liquidated.

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;
- Table III—Annual Operating Results of Prior Real Estate Programs;
- Table IV—Results of Completed Programs; and
- Table V—Sales or Dispositions of Properties.

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); 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)	$ 100,824
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, 2018, 2019 and 2020 of $79, $12,218, $12,297, $12,297, $12,297, $13,247, $22,006 and $16,383, 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, 2020.

	2013	2014	2015	2016	2017	2018	2019	2020	Total
Gross Rental Income	$ 5,101	$139,972	$140,120	$135,000	$134,827	$ 132,482	$148,210	$ 146,557	$ 982,269
Less:									
Rental operating expenses	1,055	39,161	41,070	38,123	34,428	64,074	84,362	87,787	390,060
Interest Expense, net	1,061	30,346	28,916	26,626	28,532	30,723	36,749	34,779	217,732
Depreciation	1,170	28,074	28,074	28,074	28,074	27,294	27,294	23,882	191,936
Net Income (GAAP basis)	1,815	42,391	42,060	42,177	43,793	10,391	-195	109	182,541
Taxable Income from Operations (2)	1,764	42,389	42,058	43,772	43,772	7,040	23,624	21,301	225,720
Summary Statement of Cash Flows									
Cash generated from operations (3)	2,456	73,057	71,361	72,975	73,774	34,066	33,666	17,564	378,919
Cash generated from sales	—	—	—	—	—	—	—	(10,262)	(10,262)
Cash generated from investing activities	(1,638,235)	—	—	—	—	—	—	(164,362)	(1,802,597)
Cash generated from financing	1,655,000	—	—	—	—	627,993	(30,018)	(1,298,359)	954,616
Total distributions to investors	—	(76,260)	(66,000)	(66,000)	(66,000)	(674,500)	(3,000)	(164,362)	(1,116,122)
Operations	—	(75,513)	(66,000)	(66,000)	(66,000)	(54,176)	(42,799)	(7,008)	(377,496)
Return of capital	—	(747)	—	—	—	(620,324)	39,799	(157,354)	(738,626)
Cash generated after cash distributions to investors	2,456	(3,203)	5,361	6,975	7,774	(640,434)	30,666	(146,798)	(737,203)
Percent of properties remaining unsold	100%	100%	100%	100%	100%	100%	100%	0%	100%
Distribution Data Per $1,000 Invested (4)	$ —	$ 81.13	$ 70.21	$ 70.21	$ 70.21	$ 717.54	$ 3.19	$ 174.85	$ 1,187.34
Cash Distributions to Investors Sources (on GAAP basis)									
- Operating activities	$ —	$ 80.33	$ 70.21	$ 70.21	$ 70.21	$ 57.63	$ 45.53	$ 7.46	$ 401.58
- Investing & financing activities	—	—	—	—	—	—	—	—	—
- Other (return of capital)	—	0.79	—	—	—	659.92	(42.34)	167.40	785.77

(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.

TABLE IV
RESULTS OF COMPLETED PROGRAMS
(UNAUDITED)

The following sets forth the unaudited results of Completed Programs for GIP Fund 1 for the years ended December 31, 2013 through December 31, 2020.

508 S. Howard Avenue

Dollar Amount Raised	$ 940,000
Number of Properties Purchased	1
Date of Closing of Offering	12/18/2013
Date of First Sale of Property	11/30/2020
Date of Final Sale of Property	11/30/2020
Tax and Distribution Data Per $1,000 Investment	
Federal Income Tax Results:	
Ordinary income (loss)	225,720
- from operations	225,720
- from recapture	
Capital Gain (loss)	
Deferred Gain	164,362
Capital	
Ordinary income (loss)	
Cash Distributions to Investors	
Source (on GAAP basis)	
Investment income	
Return of capital	
Source (on cash basis)	
- Sales	
Refinancing	
Operations	

Other
Receivable on Net Purchase Money Financing

TABLE V
SALES OR DISPOSALS OF PROPERTIES
(UNAUDITED)

The following sets forth the unaudited results of the Sale of Properties for GIP Fund 1 for the years ended December 31, 2013 through December 31, 2020.

Property	Date Acquired	Cash Received Net of Closing Costs	Mortgage Balance at Time of Sale	Total	Original Mortgage Financing	Total Acquisition cost, capital improvement closing and soft costs	Excess of Property Operating Cash Receipts Over Cash Expenditures Total
508 S. Howard	12/13	(10,262)	1,286,664	1,276,402		1,094,904	181,498