As filed with the Securities and Exchange Commission on August 18, 2021

Registration No. 333-235707

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

Amendment No. 9
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
813-448-1234
(Name, Address, Including Zip Code, and Telephone Number,
Including Area Code, of Agent for Service)

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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	$20,700,000	$2,259*
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)	$20,700,000	$2,259*
Representative's Warrants (6)(7)	—	—
Shares of Common Stock, $0.01 par value per share, underlying Representative's Warrants (6)	$2,328,750	$255*
Total	$43,728,750	$4,773*

* 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 in each Unit 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 included in the Units which may be issued upon exercise of 30-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 Units sold to the public, and assuming a per share exercise price equal to 125% of the price per Unit 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.

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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 AUGUST 18, 2021

PRELIMINARY PROSPECTUS

GENERATION INCOME PROPERTIES, INC.

1,500,000 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 1,500,000 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. Each Warrant offered as part of the Unit will be exercisable upon the first separate trading date of the Warrants and will expire five years from the date of issuance. We expect the public offering price of our Units to be between $10.00 and $12.00 per Unit. We have granted the underwriters a period of 30 days to purchase up to an additional 225,000 Units, 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 Units or Warrants. The Units have been approved for listing on the Nasdaq Capital Market under the symbol "GIPRU." Immediately following this offering, only the Units will begin trading. There will be no trading market for the common stock and the Warrants until after the Units cease trading. We expect the common stock and Warrants comprising the Units will begin separate trading, and the Units will cease trading, on the 31st day following the date of this prospectus. The common stock and Warrants will only trade separately prior to the 31st day following the date of this prospectus if Maxim Group LLC, the representative of the underwriters, informs us of its decision to allow earlier separate trading and we file a Current Report on Form 8-K and issue a press release announcing when the separate trading will begin. Once the securities comprising the Units begin separate trading, the common stock and Warrants will be listed on the Nasdaq under the symbols "GIPR" and "GIPRW," respectively.

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 Units 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 $1,137,000.

(3) We have granted the underwriters an option for a period of 30 days to purchase up to an additional 225,000 Units. If the underwriters exercise this option in full, the additional underwriting discounts and commissions payable by us will be $222,750 and the total proceeds to us, before expenses, will be $17.3 million, in each instance at an assumed public offering price of $11.00 per Unit, which is the midpoint of the price range indicated on the cover page of this prospectus.

Sole Book-Running Manager	*Co-Manager*
Maxim Group LLC	**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 August 13, 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 (excluding La-Z-Boy Corporation) 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 monthly 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 ten properties as of August 13, 2021:

- *Creditworthy Tenants.* Approximately 80% of our portfolio's annualized base rent as of August 13, 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 (excluding La-Z-Boy Corporation).
- *100% Occupied.* Our portfolio is 100% leased and occupied.
- *Contractual Rent Growth.* Approximately 71% of the leases in our current portfolio (based on annualized base rent as of June 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 $18.50.

The table below presents an overview of the ten properties in our portfolio as of August 13, 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	4.6	2 x 5	Yes	$129,804	$43.27	3.2%
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	6.6	4 x 5	Yes	$182,500	$82.95	4.5%
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	7.5	2 x 5	Yes	$684,996	$11.59	16.8%
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	7/31/2028 (3)	7.0	8 x 5	No	$313,480	$20.73	7.7%
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and	AA+	9/17/2028	7.1	—	No	$882,476	$17.68	21.7%
	Norfolk, VA	22,247	Maersk Line, Limited	BBB-	12/31/2022	1.4	1 x 5	Yes	$375,588	$16.88	9.0%
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB+	8/31/2027	6.0	1 x 5	Yes	$721,214	$20.70	17.7%
Retail	Tampa, FL	3,500	Sherwin-Williams	BBB	7/31/2028	7.0	5 x 5	Yes	$120,750	$34.50	3.0%
Office	Manteo, NC	7,543	General Services Administration	AA+	2/20/2029	7.5	1 x 5	Yes	$161,346	$21.39	4.0%
Office	Tampa, FL	7,826	Irby Construction Company	BBB	12/31/2024	3.4	2 x 5	Yes	$148,200	$18.94	3.6%
Retail	Rockford, IL	15,288	La-Z-Boy Corporation	NR	10/31/2027	6.2	4 x 5	Yes	$360,100	$23.55	8.8%
Total		**220,564**							**$4,080,454**		

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash rental income in place as of June 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 ten 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.
- A single tenant retail building (15,300 square feet) leased to La-Z-Boy Company, and located at 525 South Perryville Road Rockford, IL acquired in August 2021 for approximately $4.5 million with Tenants in Common ownership partner Sunny Ridge MHP, LLC. The acquisition was funded with a Redeemable Non-Controlling Interest contribution from Richard Hornstrom to one of our subsidiaries of $0.65 million, Tenants in Common ownership from Sunny Ridge MHP, LLC (“Sunny Ridge”) of $1.2 million and debt financing of approximately $2.7 million. Mr. Hornstrom owns 50% of Sunny Ridge and contributed $600,000 of the $950,000 Redeemable Non-Controlling Interest contribution for the Plant City, FL 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 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 monthly 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.

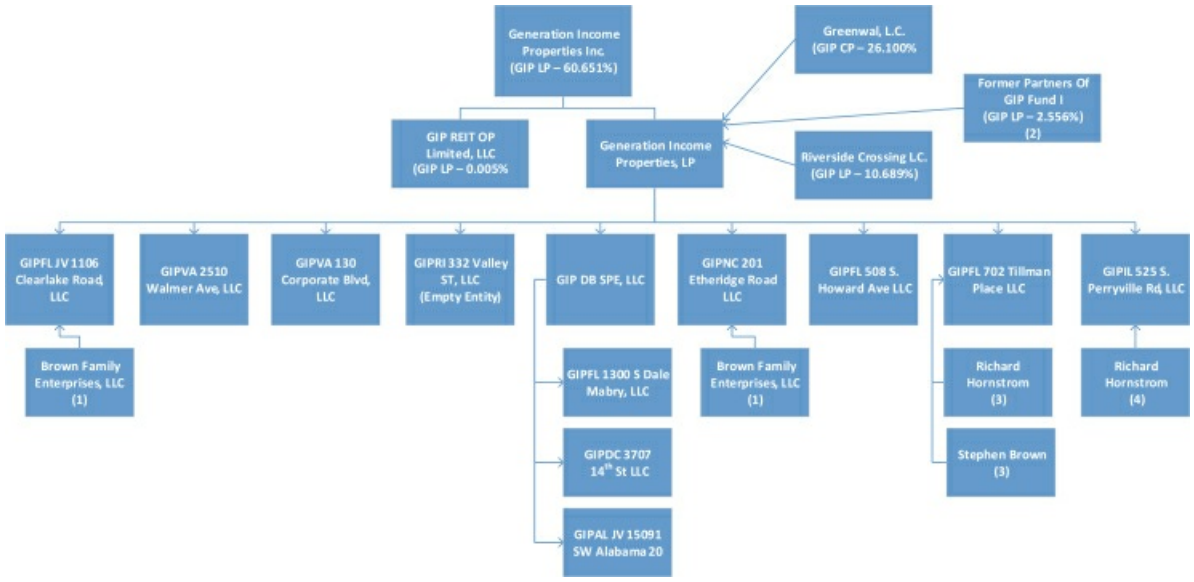
Our Organizational Structure

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 30, 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 84%, assuming the sale of 1,500,000 Units in this offering by us at an assumed public offering price of $11.00 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 August 10, 2021:



(1) Brown Family Enterprises, LLC, owns a redeemable limited liability company interest in GIPFL JV 1106 Clearlake Road, LLC and a redeemable limited liability company interest in GIPNC 201 Etheridge Road, LLC.
(2) GIP Fund I, LLC was 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 and Richard Hornstrom each own a redeemable limited liability company interest in GIPFL 702 Tillman Place LLC.
(4) Richard Hornstrom owns a redeemable limited liability company interest in GIPIL 525 S Perryville Rd, 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 ten 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

Units Offered by us:	1,500,000 Units (or 1,725,000 Units if the over-allotment option is exercised in full), 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, will be exercisable upon the first separate trading date of the Warrants and will expire five years from the date of issuance.
Number of shares of Common Stock Offered by us:	1,500,000 shares (or 1,725,000 shares if the over-allotment option is exercised in full) as part of the Units.
Number of Warrants offered by us:	Warrants to purchase 1,500,000 shares of common stock (or Warrants to purchase 1,725,000 shares of common stock if the over-allotment option is exercised in full) as part of the Units.
Common Stock Outstanding After this Offering:	1,970,367* shares upon the separation of the Units no later than the 31st day following the date of this prospectus.
Trading commencement and separation of common stock and Warrants:	The Units will begin trading on or promptly after the date of this prospectus. We expect the common stock and Warrants comprising the Units will begin separate trading, and that the Units will cease trading, on the 31st day following the date of this prospectus unless Maxim Group LLC, the representative of the underwriters, informs us of its decision to allow earlier separate trading. If that occurs, the common stock and Warrants will begin trading separately only after we have filed a Current Report on Form 8-K with the SEC and issued a press release announcing when the separate trading will begin.
Market for the Securities and Nasdaq Listing;	Our common stock is approved to be quoted on the OTCQB Venture Market under the symbol "GIPR". The Units, common stock and Warrants have been approved for listing on the Nasdaq Capital Market under the symbols "GIPRU," "GIPR" and "GIPRW," respectively.
Over-Allotment Option:	The Underwriting Agreement provides that we will grant to the underwriters an option, exercisable within 30 days after the closing of this offering, to purchase up to an additional 225,000 Units, 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 upon the first separate trading date of the Warrants 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 $13.9 million (or approximately $16.1 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 $11.00 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 (90 days in the case of Kitty Talk, Inc.). 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 30, 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;
  - 530,104 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 $13.75 per share, or 125% of the public offering price; and
  - shares included in the Units 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 $1.9 million of rental revenues for the six months ended June 30, 2021 and we have cumulative net losses of approximately $5.0 million from inception to June 30, 2021. We may never become profitable and you may lose your entire investment. As of June 30, 2021, we had total cash (unrestricted and restricted) of approximately $0.6 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 $11.00, 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 $1.80 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 30, 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 our shares of common stock will be 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 can provide no assurance that our Units, shares and Warrants 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.

Our Units, shares of common stock and Warrants have been approved for listing on the Nasdaq. For our securities to be listed on the Nasdaq, we must meet the current Nasdaq 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 the Warrants have been approved for listing 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.

The exclusive forum clause set forth in the Warrants may have the effect of limiting an investor's rights to bring legal action against us and could limit the investor's ability to obtain a favorable judicial forum for disputes with us.

The Warrants provide for investors to consent to exclusive forum to state or federal courts located in New York, New York. This exclusive forum may have the effect of limiting the ability of investors to bring a legal claim against us due to geographic limitations and may limit an investor's ability to bring a claim in a judicial forum that it finds favorable for disputes with us. Alternatively, if a court were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Notwithstanding the foregoing, nothing in the Warrant limits or restricts the federal district court in which a holder of a Warrant may bring a claim under the federal securities laws.

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

There is no established trading market for the Units or the Warrants. Although the Units and the Warrants have been approved for listing on Nasdaq there can be no assurance that there will be an active trading market for the Units and the Warrants. Without an active trading market, the liquidity of the Units and 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 30, 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 5.7% of our outstanding common stock assuming the sale of 1,500,000 Units in this offering by us at an assumed public offering price of $11.00 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 ten 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 ten leased properties.

We currently own ten properties. We need to raise funds to acquire additional properties to lease in order to grow and generate additional revenue. Because we only own ten 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, 56% of our properties are office space 17% of our properties are industrious and 27% are retail space based on base rent as of August 13, 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 June 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 June 30, 2021, we had three promissory notes totaling approximately $24.1 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 June 30, 2021. In addition, in August 2021, we issued one promissory note totaling approximately $2.7 million requiring DSCR of 1.5:1.0 beginning as of December 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 June 30, 2021, we had a cumulative net loss of approximately $5.0 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 ten properties, which are located in Illinois (1 property) 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 four 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 four 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 June 30, 2021, we had total cash (unrestricted and restricted) of approximately $0.6 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 June 30, 2021, we had three promissory notes totaling approximately $24.1 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 June 30, 2021. In addition, in August 2021, we issued one promissory note totaling approximately $2.7 million requiring DSCR of 1.5:1.0 beginning as of December 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 monthly 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 $13.9 million (or approximately $16.1 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 $11 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 monthly 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 of the Units 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 June 30, 2021 on an actual basis, and as adjusted to give effect to the sale by us of 1,500,000 Units in this offering at the assumed public offering price of $11.00 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 June 30, 2021	
	Historical (unaudited)	As Adjusted (1)
Cash and cash equivalents	$ 608,792	$ 14,486,792
Debt:		
Mortgage loans, net	30,280,176	30,280,176
Note payable	1,100,000	1,100,000
Total Debt	$ 31,380,176	$ 31,380,176
Redeemable Non-controlling interest	10,134,431	10,134,431
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; 1,970,367 shares issued and outstanding, as adjusted(1)	5,829	20,829
Additional paid-in capital	5,570,728	19,433,728
Accumulated deficit	(5,026,484)	(5,026,484)
Total stockholders' equity before non-controlling interest	550,073	14,428,073
Total Capitalization	$ 42,064,680	$ 55,942,680

(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) 1,500,000 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 as part of the Units 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.

DILUTION

As of June 30, 2021, our historical net tangible book value was $9.1 million, or $8.20 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 June 30 2021; adjusted for the Conversion of Redeemable Non-Controlling Interests for 530,104 common shares.

Our as adjusted net tangible book value as of June 30, 2021, which is our net tangible book value at that date, after giving effect to the sale of 1,500,000 Units in this offering by us at an assumed public offering price of $11.00 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 $23.0 million, or $9.20 per share. This amount represents an immediate increase in net tangible book value of $1.00 per share to our existing stockholders and an immediate dilution of $1.80 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 Unit paid by investors in this offering.

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

Assumed public offering price per Unit	$11.00
Historical net tangible book value per share as of June 30, 2021	$ 8.20
Increase in net tangible book value per share attributable to new investors purchasing shares in this offering	$ 1.00
As adjusted net tangible book value per share after giving effect to this offering	$ 9.20
Dilution per share to investors participating in this offering	$ 1.80

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 $11.00 per Unit, would further increase the as adjusted net tangible book value per share after this offering by $0.55 per share and the dilution per share to investors participating in this offering by $0.45 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 $11.00 per Unit, would further decrease the as adjusted net tangible book value per share after this offering by $0.54 per share and the dilution per share to investors participating in this offering by $0.46 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 $0.03, and decrease the dilution per share to investors participating in this offering by $0.03, 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 $0.03 and increase the dilution per share to investors participating in this offering by $0.03 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 Units in full, the as adjusted net tangible book value after giving effect to the offering would be $9.27 per share, representing an increase in as adjusted net tangible book value after giving effect to this offering to existing stockholders of $1.07 per share and immediate dilution of $1.73 per share to investors purchasing common stock as part of the Units in this offering.

The above discussion and table is based on 1,112,971 outstanding shares of common stock as of June 30, 2021, including the assumed conversion of limited partnership units from Generation Income Properties L.P. and one of its subsidiaries into 530,104 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 225,000 Units 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 monthly 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 regular dividends will change materially from the dividends in March 2021 although we intend to pay dividends on a monthly basis that aggregate our prior quarterly dividends. 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 June 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 August 13, 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 (excluding La-Z-Boy Corporation) 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 monthly 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 30, 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 84%, assuming the sale of 1,500,000 Units in this offering by us at an assumed public offering price of $11.00 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 ten properties as of August 13, 2021:

- *Creditworthy Tenants.* Approximately 80% of our portfolio's annualized base rent as of August 13, 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 (excluding La-Z-Boy Corporation).
- *100% Occupied.* Our portfolio is 100% leased and occupied.
- *Contractual Rent Growth.* Approximately 71% of the leases in our current portfolio (based on annualized base rent as of August 13, 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 $18.50.

The table below presents an overview of the ten properties in our portfolio as of August 13, 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	4.6	2 x 5	Yes	$129,804	$43.27	3.2%
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	6.6	4 x 5	Yes	$182,500	$82.95	4.5%
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	7.5	2 x 5	Yes	$684,996	$11.59	16.8%
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	7/31/2028 (3)	7.0	8 x 5	No	$313,480	$20.73	7.7%
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and	AA+	9/17/2028	7.1	—	No	$882,476	$17.68	21.7%
	Norfolk, VA	22,247	Maersk Line, Limited	BBB-	12/31/2022	1.4	1 x 5	Yes	$375,588	$16.88	9.0%
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB+	8/31/2027	6.0	1 x 5	Yes	$721,214	$20.70	17.7%
Retail	Tampa, FL	3,500	Sherwin-Williams	BBB	7/31/2028	7.0	5 x 5	Yes	$120,750	$34.50	3.0%
Office	Manteo, NC	7,543	General Services Administration	AA+	2/20/2029	7.5	1 x 5	Yes	$161,346	$21.39	0%
Office	Tampa, FL	7,826	Irby Construction Company	BBB	12/31/2024	3.4	2 x 5	Yes	$148,200	$18.94	3.6%
Retail	Rockford, IL	15,288	La-Z-Boy Corporation	NR	10/31/2027	6.2	4 x 5	Yes	$360,100	$23.55	8.8%
Total		**220,564**							**$4,080,454**		

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash rental income in place as of June 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 6.1 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 ten 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.

- On August 12, 2021, we acquired a single tenant retail building (15,300 square feet) leased to La-Z-Boy Company, and located at 525 South Perryville Road Rockford, IL for approximately $4.5 million with Tenants in Common ownership partner Sunny Ridge MHP, LLC. The acquisition was funded with a Redeemable Non-Controlling Interest contribution from Richard Hornstrom to one of our subsidiaries of $0.65 million, Tenants in Common ownership from Sunny Ridge MHP, LLC ("Sunny Ridge") of $1.2 million and debt financing of approximately $2.7 million. Mr. Hornstrom owns 50% of Sunny Ridge and contributed $600,000 of the $950,000 Redeemable Non-Controlling Interest contribution for the Plant City, FL property. The $2.7 million loan incurred in connection with the acquisition of the property is secured by a first priority mortgage, contains standard affirmative and negative covenants, including requiring DSCR of 1.5:1.0 beginning as of December 31, 2021, and matures in August 2023. In connection with the loan, Mr. Sobelman provided a guaranty of the borrower's recourse carve out liabilities and obligations in favor of American Momentum Bank. The lease with La-Z-Boy Company is a triple-net lease and has an initial term of ten years, ending October 31, 2027, with four options to extend the term of the lease for four additional five-year periods. The base rent is currently approximately $29,900 per month and increases during years six through ten and during any renewal terms.

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 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

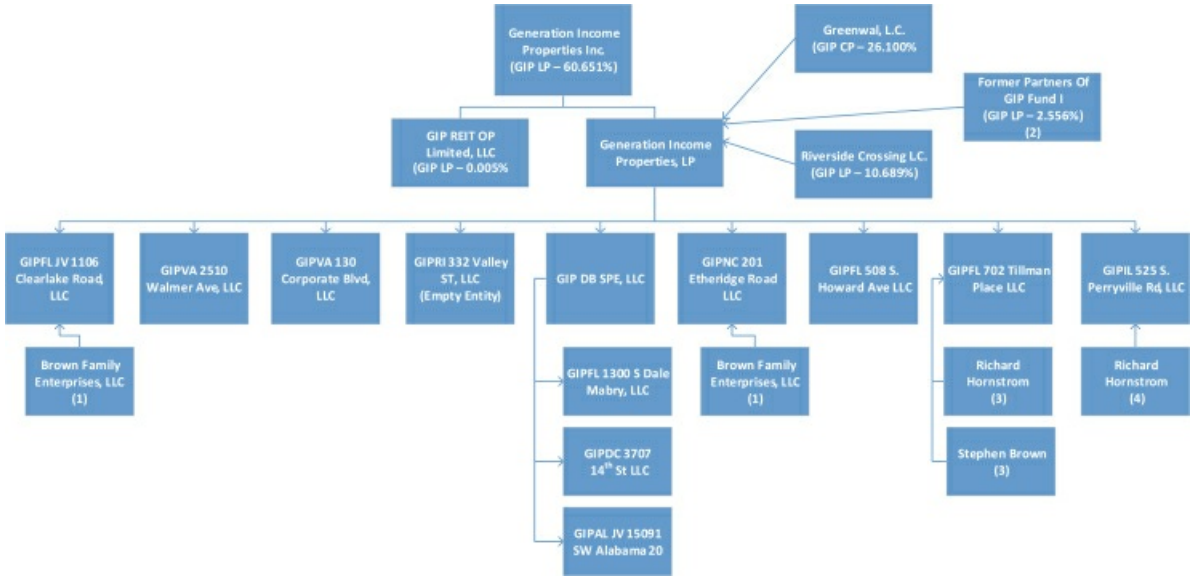
We had previously engaged 3 Properties, a business managed by our President and Chief Executive Officer, to provide asset management services for certain of our properties. These agreements were terminated effective August 31, 2020. We now manage these properties in-house, except for our Norfolk, Virginia 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 August 10, 2021:



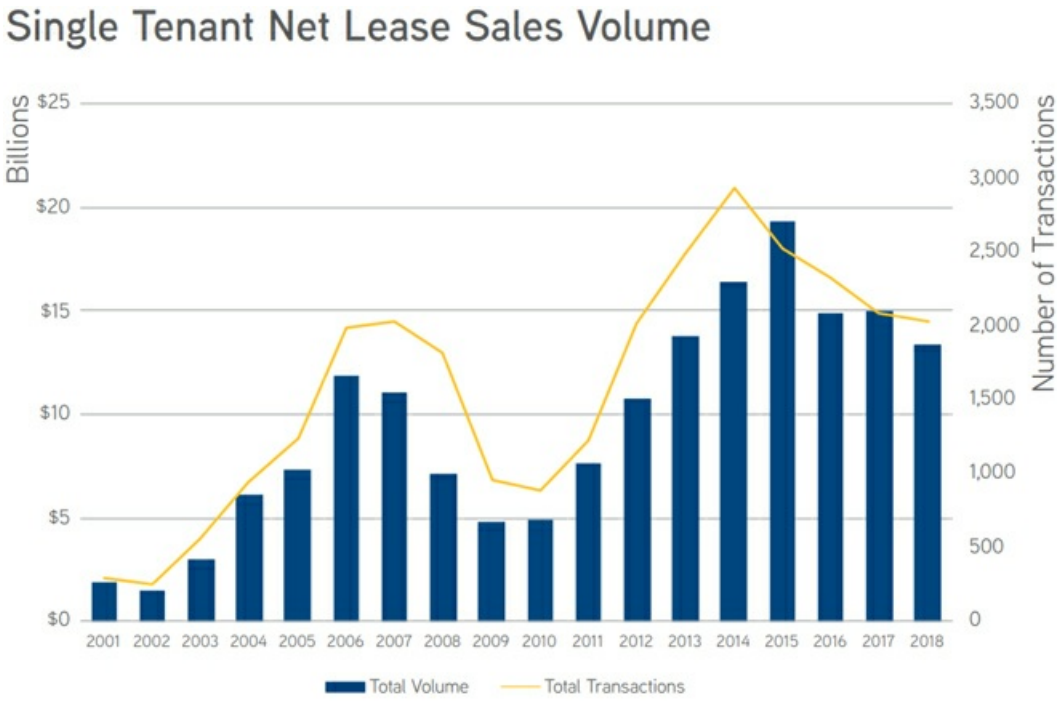
(1) Brown Family Enterprises, LLC owns a redeemable limited liability company interest in GIPFL JV 1106 Clearlake Road, LLC and a redeemable limited liability company interest in GIPNC 201 Etheridge Road, LLC.
(2) GIP Fund I, LLC was a private fund controlled by David Sobelman, our President and Chief 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 and Richard Hornstrom each own a redeemable limited liability company interest in GIPFL 702 Tillman Place, LLC.
(4) Richard Hornstrom owns a redeemable limited liability company interest in GIPIL 525 S Perryville Rd, 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 30, 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 innon-convertible debt securities during a previous three-year period; or
- the date on which we become a large accelerated filer, which generally is a company with a public float of at least $700 million (Exchange Act Rule 12b-2).

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

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

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

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

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

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

Overview

We are an internally managed, Maryland corporation focused on acquiring retail, office and industrial real estate located in major U.S. markets. We initiated operations during the year ended December 31, 2015 and we intend to elect to be taxed as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2021.

Our Investments

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

- *Creditworthy Tenants.* Approximately 80% of our portfolio's annualized rent as of June 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 June 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 June 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 ten 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.
- A single tenant retail building (15,300 square feet) leased to La-Z-Boy Company, and located at 525 South Perryville Road Rockford, IL acquired in August 2021 for approximately $4.5 million with Tenants in Common ownership partner Sunny Ridge MHP, LLC. The acquisition was funded with a Redeemable Non-Controlling Interest contribution from Richard Hornstrom to one of our subsidiaries of $0.65 million, Tenants in Common ownership from Sunny Ridge MHP, LLC ("Sunny Ridge") of $1.2 million and debt financing of approximately $2.7 million. Mr. Hornstrom owns 50% of Sunny Ridge and contributed $600,000 of the $950,000 Redeemable Non-Controlling Interest contribution for the Plant City, FL property.

The table below presents an overview of the ten properties in our portfolio as of August 13, 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	4.6	2 x 5	Yes	$129,804	$43.27	3.2%
Retail	Tampa, FL	2,200	Starbucks	BBB+	2/29/2028	6.6	4 x 5	Yes	$182,500	$82.95	4.5%
Industrial	Huntsville, AL	59,091	Pratt & Whitney Automation, Inc.	BBB+	1/31/2029	7.5	2 x 5	Yes	$684,996	$11.59	16.8%
Retail	Cocoa, FL	15,120	Walgreen Co. (3)	BBB	7/31/2028 (3)	7.0	8 x 5	No	$313,480	$20.73	7.7%
Office	Norfolk, VA	49,902	General Services Administration of the United States of America and	AA+	9/17/2028	7.1	—	No	$882,476	$17.68	21.7%
	Norfolk, VA	22,247	Maersk Line, Limited	BBB-	12/31/2022	1.4	1 x 5	Yes	$375,588	$16.88	9.0%
Office	Norfolk, VA	34,847	PRA Holdings, Inc. (4)	BB+	8/31/2027	6.0	1 x 5	Yes	$721,214	$20.70	17.7%
Retail	Tampa, FL	3,500	Sherwin-Williams	BBB	7/31/2028	7.0	5 x 5	Yes	$120,750	$34.50	3.0%
Office	Manteo, NC	7,543	General Services Administration	AA+	2/20/2029	7.5	1 x 5	Yes	$161,346	$21.39	4.0%
Office	Tampa, FL	7,826	Irby Construction Company	BBB	12/31/2024	3.4	2 x 5	Yes	$148,200	$18.94	3.6%
Retail	Rockford, IL	15,288	La-Z-Boy Corporation	NR	10/31/2027	6.2	4 x 5	Yes	$360,100	$23.55	8.8%
Total		**220,564**							**$4,080,454**		

(1) Tenant, or tenant parent, rated entity.
(2) Annualized cash rental income in place as of June 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.

Six Months Ended June 30, 2021 Compared to the Six Months Ended June 30, 2020

Revenue

During the six-month period ended June 30, 2021, total revenue from operations were $1,925 thousand as compared to $1,758 thousand for thesix-month period ended June 30, 2020. Revenue increased approximately $167 thousand due to three additional properties generating revenue for the six-months ended June 30, 2021 that were purchased in November 2020, February 2021 and April 2021.

Operating Expenses

During the six-month periods ended June 30, 2021 and 2020, we incurred total expenses of $2,564 thousand and $2,352 thousand, respectively which included total general, administrative and organizational ("GAO") of $540 thousand for 2021 and $397 thousand for 2020. The $143 thousand increase in GAO expenses is due to, increased stock compensation of approximately $53 thousand, professional fees of $38 thousand, insurance of $29 thousand, rent expense of $15 thousand and other costs increasing $29 thousand offset in part by a decrease in audit and legal fees of approximately $16 thousand, and $7 thousand of other expenses.

During the six-month periods ended June 30, 2021 and 2020, we incurred building expenses of $344 thousand and $356 thousand, respectively. The $12 thousand decrease is primarily due to reduced maintenance costs of $7 thousand, lower property asset management fees of $17 thousand and other costs of $11 thousand offset in part by increased property insurance expense of $23 thousand.

During the six-month periods ended June 30, 2021 and 2020, we incurred depreciation and amortization expense of $777 thousand and $720 thousand, respectively. The $57 thousand increase is due to the three additional properties acquired since November 2020.

During the six-month periods ended June 30, 2021 and 2020, we incurred interest expense and the amortization of debt issuance costs of $692 thousand and $726 thousand respectively. The $34 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 for the $8 million loan and the $5 million loan from 4.25% to 3.50% in March 2021.

During the six-month periods ended June 30, 2021 and 2020, we incurred compensation costs of $211 thousand and $153 thousand respectively. The $58 thousand increase is reflective of additional personnel hires and their related compensation for the six-month period in 2021.

Income Tax Benefit

We did not record an income tax benefit for thesix-months ended June 30, 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 six-month periods ended June 30, 2021 and 2020, we generated a net loss of $639 thousand and $594 thousand, respectively.

Net Income Attributable to Non-controlling Interests

During the six-month period ended June 30, 2021, we generated net income attributable tonon-controlling interest of $210 thousand as compared to $183 thousand for the six-month period ended June 30, 2020. The variance is attributable to the increase in distributions provided to the additional redeemable non-controlling interests that were used to finance the acquisition of properties in 2021.

Net Loss Attributable to Shareholders

During the six-month periods ended June 30, 2021 and 2020, we generated a net loss attributable to our shareholders of $849 thousand and $777 thousand, 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 June 30, 2021, we had total cash (unrestricted and restricted) of approximately $0.6 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 initial offering to conduct our operations. We currently obtain the capital required to primarily invest in and manage a diversified portfolio of commercial net lease real estate investments and conduct our operations from the proceeds of our initial offering, debt financing, preferred minority interest obtained from third parties and from any undistributed funds from our operations.

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

As of June 30, 2021 and the year ending December 31, 2020, we had $0.6 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 offering and from cash generated from our rental operations. As of June 30, 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 $939 thousand and $565 thousand, respectively. As of June 30, 2021, current mortgage loan payments due within 12 months total $5.1 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.

Outstanding indebtedness consisted of the following as of June 30, 2021 and December 31, 2020:

	Interest Rate	Maturity Date	As of June 30, 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 our Tampa Sherwin-Williams property.	3.72% fixed rate after using SWAP whereas the loan is LIBOR plus 2.75%	10/28/2028	$ 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 $850,000 by a financial institution. Note was issued on April 21, 2021 and can be prepaid at any time without penalty. Secured by our Irby - Plant City, FL property.	2.75% adjusted monthly based on 30 day Wall Street Journal Prime Rate minus 0.5% with minimum of 3.0% for first 24 months, then U.S. Treasury Securities Rate plus 2.75% with a minimum of 3.25%	12/31/2024	$ 850,000	$ —
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	$ 7,916,094	$ 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	$ 4,967,659	$ 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 approximatley $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	$11,242,627	$11,287,500
Less: debt issuance costs, net			(665,259)	(689,190)
			$31,380,176	**$29,456,571**

The Company amortized debt issuance costs during the six-month periods ended June 30, 2021 and 2020 to interest expense of $64 thousand and $78 thousand, respectively. The Company paid debt issuance costs for the six-months ended June 30, 2021 and 2020 of $40 thousand and $565 thousand, respectively.

As of June 30, 2021, we had three promissory notes totaling approximately $24.1 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, one promissory note totaling $0.9 million require DSCR of 1.15:1.0 and one promissory note totaling $1.3 million require DSCR of 1.30:1.0. We were in compliance with all covenants as of June 30, 2021. The loan issued to the Clearlake Preferred member has no DSCR requirements.

As of June 30, 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 $11.2 million due under the DC/Tampa/Huntsville loan, the $1.3 million loan secured by our Tampa Sherwin Williams property, the $0.9 million loan secured by our Irby property and the $1.3 million loan secured by our GSA Mateo NC property. The aggregate guaranteed principal amount of these loans total approximately $18.1 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 $12.9 million.

The Company modified the Bayport loans in February 2021 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 June 30, 2021 are as follows:

	As of June 30, 2021
2021 (six months)	$ 4,786,649
2022	580,786
2023	1,890,494
2024	12,983,297
2025	252,318
2026 and beyond	11,551,891
	$32,045,435

As of June 30, 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 acquisition of the Manteo North Carolina property in February 2021, was funded with a RedeemableNon-Controlling Interest contribution to one of our subsidiaries of $0.5 million and by debt financing of approximately $1.3 million.

The acquisition of the Plant City Florida property in April 2021, was funded with a RedeemableNon-Controlling Interest contribution to one of our subsidiaries of $0.9 million and by debt financing of approximately $0.9 million.

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 $38 thousand during the six-months ended June 30, 2021 compared with cash provided by operations of $142 thousand during the six-months ended June 30, 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 six-months ended June 30, 2021 net cash used in investing activities was $3.5 million as compared to $150 thousand for the six-months ended June 30, 2020. The change is due to the purchase of $3.4 million in properties during the six-month period ended June 30, 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 $3.1 million for the six-months ended June 30, 2021 compared to net cash used in financing activities of $368 thousand for the six-months ended June 30, 2020. The change is the result of the issuance of redeemable non-controlling interests for $1.5 million and mortgage loan borrowings of $2.1 million, offset in part by $114 thousand of distributions paid to common shareholders and $210 thousand paid to 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 dividends, $565 thousand in debt issuance costs and redeemable non-controlling interests $183 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 June 30, 2021:

	As of June 30, 2021
2021 (six months)	$ 1,863,000
2022	3,746,000
2023	3,376,000
2024	3,381,000
2025	3,245,000
Thereafter	8,359,000
	$23,970,000

(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 six months ended June 30, 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:

	Six Months Ended June 30,	
	2021	2020
Net Loss	**$ (639,368)**	**$ (593,912)**
Depreciation and amortization	776,697	720,019
Funds From Operations	**137,329**	**126,107**
Amortization of deferred financing costs	63,922	77,786
Public company consulting fees	—	30,000
Non-cash stock compensation	132,749	47,032
Adjustments From Operations	196,671	154,818
Core Funds From Operations	**$ 334,000**	**$ 280,925**
Net Loss attributable to Generation Income Properties, Inc.	**$ (639,368)**	**$ (593,912)**
Depreciation and amortization	776,697	720,019
Amortization of deferred financing costs	63,922	77,786
Below-market lease related intangibles	(75,592)	(54,749)
Adjustments From Operation	765,027	743,056
Adjusted Funds From Operations	**125,659**	**149,144**
Non-cash stock compensation	132,749	47,032
Public company consulting fees	—	30,000
Settlement costs	—	—
Adjustments From Operations	132,749	77,032
Core Adjusted Funds From Operations	**$ 258,408**	**$ 226,176**

	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 30, 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 30, 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 Units 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 30, 2021, which excludes 24,833 shares of unvested restricted stock outstanding as of June 30, 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 30, 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)	5.7%
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	6.1%
John Robert Sierra Sr. Revocable Family Trust	225,000(2)	33.0%	225,000(2)	10.9%
Kitty Talk, Inc. (3)	50,000	8.6%	50,000	2.5%

* 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 August 13, 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 $11.2 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 $18.1 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 $12.9 million, in favor of the lender for the Plant City, Florida property with an aggregate principal amount of approximately $0.9 million, and in favor of the lender for the Rockford, Illinois property with an aggregate principal amount of approximately $2.7 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 six months ended June 30, 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 six months ended June 30, 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 30, 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.

Units

Each Unit consists of one share of our common stock and one Warrant to purchase one share of our common stock. The Units will begin trading on or promptly after the date of this prospectus. We expect the common stock and Warrants comprising the Units will begin separate trading, and that the Units will cease trading, on the 31st day following the date of this prospectus unless Maxim Group LLC, the representative of the underwriters, informs us of its decision to allow earlier separate trading. If that occurs, the common stock and Warrants will begin trading separately only after we have filed a Current Report on Form 8-K with the SEC and issued a press release announcing when the separate trading will begin.

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, upon the first separate trading date of the Warrants and terminating at 5:00 p.m., New York City time, five years after the closing of this offering. As described below, the Warrants have been approved for listing on the Nasdaq Capital Market under the symbol “GIPRW.”

Exercisability. The Warrants are exercisable at any time after the warrants first become separately traded 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 exercisable upon the first separate trading date of the Warrants 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 Warrants first become exercisable, 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. The Warrants have been approved for listing 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.

Exclusive Forum. All questions concerning the construction, validity, enforcement and interpretation of the Warrants 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. The Warrant provides that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by the 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. Although this exclusive forum provision applies to federal securities law claims, the Warrant provides that nothing in the Warrant limits or restricts the federal district court in which a holder of a Warrant may bring a claim under the federal securities laws. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder, and the Securities Act of 1933, as amended, creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by such act or the rules and regulations thereunder. Also, a court may find the exclusive forum provisions in the Warrants otherwise unenforceable with respect to one or more specified types of actions or legal proceedings, and in such case, we may incur additional costs associated with resolving such matters in other jurisdictions.

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 $13.75 (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". The Units have been approved for listing on the Nasdaq Capital Market under the symbol "GIPRU." We expect the common stock and Warrants comprising the Units will begin separate trading, and the Units will cease trading, on the 31st day following the date of this prospectus unless Maxim Group LLC, the representative of the underwriters, informs us of its decision to allow earlier separate trading. Once the securities comprising the Units begin separate trading, the common stock and Warrants will be listed on the Nasdaq under the symbols "GIPR" and "GIPRW," respectively.

We cannot predict the effect, if any, that any subsequent sales of Units, 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 Units, 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 Units, common stock or Warrants.

No assurance can be given as to the likelihood that an active trading market for our Units, common stock or Warrants will develop or be maintained, that any such market will be liquid, that purchasers will be able to sell the Units, 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 Units, 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") 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 30, 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 Units, 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 Units, 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 1,500,000 Units assuming a public offering price of $11 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 30 days after the effective date of the underwriting agreement, to purchase up to an additional 225,000 Units. 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 Units as the number of Units purchased by it under the underwriting agreement. We will be obligated, pursuant to the option, to sell these additional Units to the underwriters to the extent the option is exercised. If any additional Units are purchased, the underwriters will offer the additional Units 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 Units.

	Per Unit	Total Without Over-Allotment	Total With Over-Allotment
Public offering price	$11.00	$ 16,500,000	$ 18,975,000
Underwriting discounts and commissions	$ 0.99	$ 1,485,000	$ 1,707,750
Proceeds to us before expenses	$10.01	$ 15,015,000	$ 17,267,250

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 $1,137,000, 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 Units 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 (90 days in the case of Kitty Talk, Inc.) 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 securities subject tolock-up agreements prior to the expiration of the lock-up period. When determining whether or not to release securities from thelock-up agreements, the underwriters will consider, among other factors, the security holder's reasons for requesting the release, the number of securities 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.

Six Months Ended June 30, 2021

Generation Income Properties, Inc.
Consolidated Balance Sheets

	As of June 30, 2021 (Unaudited)	As of December 31, 2020
Assets		
Investment in real estate		
Property	$41,161,385	$ 37,352,447
Tenant improvements	482,701	482,701
Acquired lease intangible assets	3,247,641	3,014,149
Less accumulated depreciation and amortization	(3,094,151)	(2,317,454)
Total investments	41,797,576	38,531,843
Cash and cash equivalents	574,292	937,564
Restricted cash	34,500	184,800
Deferred rent asset	132,279	126,655
Prepaid expenses	267,957	134,165
Deferred financing costs	964,072	614,088
Accounts receivable	95,812	75,794
Escrow deposit and other assets	114,901	75,831
Total Assets	**$43,981,389**	**$ 40,680,740**
Liabilities and Stockholder's Equity		
Liabilities		
Accounts payable	$ 163,114	$ 118,462
Accrued expenses	630,436	406,125
Acquired lease intangible liability, net	851,676	415,648
Insurance payable	145,159	40,869
Deferred rent liability	126,324	188,595
Note Payable - related party	1,100,000	1,100,000
Mortgage loans, net of unamortized discount of $665,259 and $689,190 at June 30, 2021 and December 31, 2020, respectively	30,280,176	28,356,571
Total liabilities	33,296,885	30,626,270
Redeemable Non-Controlling Interests	10,134,431	8,684,431
Stockholders' Equity		
Common stock, $0.01 par value, 100,000,000 shares authorized; 582,867 shares issued and outstanding at June 30, 2021 and 576,918 at December 31, 2020	5,829	5,770
Additional paid-in capital	5,570,728	5,541,411
Accumulated deficit	(5,026,484)	(4,177,142)
Total Generation Income Properties, Inc. stockholders' equity	550,073	1,370,039
Total Liabilities and Stockholders' Equity	**$43,981,389**	**$ 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 June 30,		Six Months ended June 30,	
	2021	2020	2021	2020
Revenue				
Rental income	$ 988,190	$ 877,604	$1,925,078	$1,758,242
Expenses				
General, administrative and organizational costs	302,104	155,896	539,991	397,260
Building expenses	163,722	166,167	344,275	355,628
Depreciation and amortization	397,186	363,001	776,697	720,019
Interest expense, net	337,432	350,163	692,421	726,453
Compensation costs	105,411	85,101	211,062	152,794
Total expenses	1,305,855	1,120,328	2,564,446	2,352,154
Net Loss	$ (317,665)	$ (242,724)	$ (639,368)	$ (593,912)
Less: Net income attributable to Non-controlling interest	59,148	39,851	209,974	182,695
Net Loss attributable to Generation Income Properties, Inc.	$ (376,813)	$ (282,575)	$ (849,342)	$ (776,607)
Total Weighted Average Shares of Common Stock Outstanding – Basic and Diluted	582,867	525,250	581,264	525,250
Basic and Diluted Loss Per Share Attributable to Common Stockholders	$ (0.65)	$ (0.54)	$ (1.46)	$ (1.48)

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 June 30, 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**
Common stock issued for services	—	—	27,009	—	27,009	—
Distribution on Redeemable Non-Controlling Interest	—	—	—	—	—	(39,851)
Dividends paid on Common Stock	—	—	—	—	—	
Net (loss) income for the year	—	—	—	(282,575)	(282,575)	39,851
Balance, June 30, 2020	**525,250**	**$ 5,253**	**$ 4,715,570**	**$(3,122,096)**	**$ 1,598,727**	**$ 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 and accrued liabilities	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**
Common stock issued for cash					—	
Restricted stock unit compensation			50,278		50,278	
Issuance of Redeemable Non-Controlling Interest for property acquisition					—	950,000
Distribution on Redeemable Non-Controlling Interest					—	(59,148)
Net (loss) income for the year				(376,813)	(376,813)	59,148
Balance, June 30, 2021	**582,867**	**$ 5,829**	**$ 5,570,728**	**$(5,026,484)**	**$ 550,073**	**$ 10,134,431**

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

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

	Six Months Ended June 30,	
	2021	2020
OPERATING ACTIVITIES		
Net loss	**$ (639,368)**	**$ (593,912)**
Adjustments to reconcile net loss to cash used in operating activities		
Depreciation	559,962	514,788
Amortization of acquired lease intangible assets	216,735	205,231
Amortization of debt issuance costs	63,922	77,786
Amortization of below market leases	(75,592)	(54,749)
Common stock issued in lieu of cash compensation	33,000	47,032
Restricted stock unit compensation	99,749	—
Changes in operating assets and liabilities		
Accounts receivable	(20,018)	(168)
Other assets	(39,070)	(25,114)
Deferred rent asset	(5,624)	5,413
Prepaid expenses	(133,792)	(46,828)
Accounts payable	44,652	(49,667)
Accrued expenses	(80,523)	19,994
Deferred rent liability	(62,271)	42,359
Net cash provided by (used in) operating activities	**(38,238)**	**142,165**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of land, buildings, other tangible and intangible assets	(3,530,810)	(150,537)
Net cash used in investing activities	**(3,530,810)**	**(150,537)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of redeemable interest	1,450,000	—
Repayments of note payable - related party	—	(800,000)
Mortgage loan borrowings	2,125,000	11,287,500
Mortgage loan repayments	(225,326)	(9,942,592)
Deferred financing costs paid in cash	(34,150)	(77,851)
Debt issuance costs paid in cash	(39,991)	(564,857)
Insurance financing borrowings	277,059	106,084
Insurance financing repayments	(172,769)	(88,014)
Distribution on redeemable non-controlling interests	(209,974)	(182,695)
Dividends paid on common stock	(114,373)	(105,101)
Net cash generated from (used in) financing activities	**3,055,476**	**(367,526)**
Net decrease in cash	(513,572)	(375,898)
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	**$ 608,792**	**$ 1,022,467**
CASH TRANSACTIONS		
Interest Paid	629,147	634,285
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 six months ended June 30, 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:

	June 30, 2021	December 31, 2020
Cash and cash equivalents	$ 574,292	$ 937,564
Restricted cash	34,500	184,800
Total cash and cash equivalents and restricted cash	$ 608,792	$ 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 June 30, 2021 and December 31, 2020 was approximately $132,300 and $126,700, respectively. Deferred rent liability as of June 30, 2021 and December 31, 2020 was approximately $126,300 and $188,600, respectively, of which $95,400 and $165,800 respectively related to prepaid rent.

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 for the six months ended June 30, 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 June 30, 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 during the six months ended June 30, 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 June 30, 2021 and December 31, 2020, the Company incurred $964 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:

	June 30, 2021	December 31, 2020
Property	$41,161,385	$37,352,447
Tenant improvements	482,701	482,701
Acquired lease intangible assets	3,247,641	3,014,149
Total	44,891,727	40,849,297
Less accumulated depreciation and amortization	(3,094,151)	(2,317,454)
Total investments	$41,797,576	$38,531,843

Depreciation expense for the six-months ended June 30, 2021 and 2020 was approximately $560,000 and $514,800, respectively.

Acquisitions:

During the six-months ended June 30, 2021, the Company acquired two properties.

	Mateo, NC	Plant City FL	Total
Property	$ 2,149,015	$ 1,635,824	$3,784,839
Acquired lease intangible assets	100,379	121,509	221,888
Total investments	2,249,394	1,757,333	4,006,727
Less acquired lease intangible liability	511,620	—	511,620
Total investments	$ 1,737,774	$ 1,757,333	$3,495,107

The first property is located in Mateo, NC and was purchased on February 11, 2021 using a $500,000 cash capital contribution through the issuance of a redeemable non-controlling interest and debt of $1,275,000. The second property is located in Plant City, FL and was purchased on April 21, 2021 using a $950,000 cash capital contribution through the issuance of a redeemable non-controlling interest and debt of $850,000. The acquisitions are accounted for as asset acquisitions under ASC 805-50, Business Combinations. The purchase price of the asset acquisitions was allocated to land, building, and acquired lease intangible assets and liabilities based on management's estimate.

Note 4 – Acquired Lease Intangible Asset, net

Intangible assets, net is comprised of the following:

	June 30, 2021	December 31, 2020
Acquired lease intangible assets	3,247,641	3,014,149
Accumulated amortization	(840,841)	(624,106)
Acquired lease intangible assets, net	$2,406,800	$ 2,390,043

The amortization for lease intangible assets for the six-months ended June 30, 2021 and 2020 was approximately $216,700 and $205,200, respectively.

The future amortization for intangible assets is listed below:

	As of June 30, 2021
2021(6 months)	$ 221,900
2022	340,300
2023	334,000
2024	334,000
2025	300,800
2026 and beyond	875,800
	$ 2,406,800

Note 5 – Acquired Lease Intangible Liability, net

Acquired lease intangible liability is comprised of the following:

	June 30, 2021	December 31, 2020
Acquired lease intangible liability	$1,097,412	$ 585,792
Less: recognized rental income	(245,736)	(170,144)
Total below market lease, net	$ 851,676	$ 415,648

The amortization for below market leases for the six-months ended June 30, 2021 and 2020 was approximately $75,600 and $54,700, respectively.

The future amortization for intangible liabilities is listed below:

	As of June 30, 2021
2021 (6 months)	$ 79,600
2022	111,200
2023	111,200
2024	111,200
2025	111,200
2026 and beyond	327,300
	$ 851,700

Note 6 – Redeemable Non-Controlling Interests

The following table reflects our RedeemableNon-Controlling Interests:

	Brown Family Trust	Irby Prop	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 quarter	20,375	—	—	86,887	35,582	142,844
Balance, March 31, 2020	**$ 1,200,000**	**$ —**	**$ —**	**$ 4,965,000**	**$ 2,033,251**	**$ 8,198,251**
Distribution on Redeemable Non-Controlling Interest	(39,851)	—	—	—	—	(39,851)
Net income for the quarter	39,851	—	—	—	—	39,851
Balance, June 30, 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 quarter	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**
Issuance of Redeemable Non-Controlling Interest for property acquisition	—	950,000	—	—	—	950,000
Distribution on Redeemable Non-Controlling Interest	(41,125)	(15,275)	(2,748)	—	—	(59,148)
Net income for the quarter	41,125	15,275	2,748	—	—	59,148
Balance, June 30, 2021	**$ 1,700,000**	**$950,000**	**$ 486,180**	**$ 4,965,000**	**$ 2,033,251**	**$10,134,431**

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 six-months ended June 30, 2021 and 2020, the Company paid Brown Family Trust $78 thousand and $60 thousand, respectively in preferred distributions for these two agreements.

As part of the Company's acquisition of a building for $1.7 million in Plant City, FL, one of the Company's operating subsidiaries entered into a preferred equity agreement with preferred equity partners on April 21, 2021 pursuant to which the Company's subsidiary received a capital contribution of $950,000. Pursuant to the agreement, the Company will pay the preferred equity member a 12% total IRR with an 8% IRR paid on a monthly basis and the deferred IRR will be paid at the end of 24 months along with the entire $950,000 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 $950,000. Distributable operating funds are distributed first to the preferred equity partners until the unpaid preferred return is paid off and then to the Company. Income is allocated 100% to the Company.

For the six-months ended June 30, 2021, the Company paid these Redeemable Interests $15 thousand in distributions.

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 Redeemable Non-Controlling Interest.

For the six-months ended June 30, 2021 and 2020, the Company paid these Redeemable Interests $116 thousand and $122 thousand, 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 June 30, 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 June 30, 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 $20.00 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 $20.00 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 $20.00 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 $20.00 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	$99,749	$47,032

Common Shareholders Cash Distributions – Six Month Periods ended June 30, 2021 and 2020

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%
January 31, 2020	February 28, 2020	$ 0.35	$ 105,101	42.8%

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

Operating Partnership Cash Distributions – Six Month Periods ended June 30, 2021 and 2020

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	$ 116,470
January 31, 2020	February 28, 2020	$ 0.35	$ 122,470

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 June 30, 2021, we had four tenants that each account for more than 10% of our rental revenue for the six-months ended June 30, 2021 (17.2% for Pratt and Whitney Corporation with respect to the single tenant building in Huntsville, AL property; 25.4% for the General Services Administration with respect to the two-tenant office building in Norfolk, VA; 20.3% for PRA Holding with respect to the single tenant building in Norfolk, VA and 10.2% for Maersk Inc. with respect to two-tenant office building in Norfolk, VA). At June 30, 2020, we had four tenants that each account for more than 10% of our rental revenue for the six-months ended June 30, 2020 (20.8% for Pratt and Whitney Corporation with respect to the single tenant building in Huntsville, AL property; 26.2% for the General Services Administration with respect to the two-tenant office building in Norfolk, VA; 22.7% for PRA Holding with respect to the single tenant building in Norfolk, VA and 11.1% 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 June 30, 2021:

	Future Minimum Base Rent Payments
2021 (six months)	$ 1,863,000
2022	3,746,000
2023	3,376,000
2024	3,381,000
2025	3,245,000
Thereafter	8,359,000
	$ 23,970,000

Note 9 – Promissory Notes

	Interest Rate	Maturity Date	As of June 30, 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%	10/28/2028	$ 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 $850,000 by a financial institution. Note was issued on April 21, 2021 and can be prepaid at any time without penalty. Secured by our Irby—Plant City, FL property.	2.75% adjusted monthly based on 30 day Wall Street Journal Prime Rate minus 0.5% with minimum of 3.0% for first 24 months, then U.S. Treasury Securities Rate plus 2.75% with a minimum of 3.25%	12/31/2024	$ 850,000	$ —
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	$ 7,916,094	$ 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	$ 4,967,659	$ 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 approximatley $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	$11,242,627	$11,287,500
Less: debt issuance costs, net			(665,259)	(689,190)
			$31,380,176	**$29,456,571**

The Company amortized debt issuance costs during the six-month periods ended June 30, 2021 and 2020 to interest expense of approximately $63,900 and $77,800, respectively. The Company paid debt issuance costs for the six-months ended June 30, 2021 and 2020 of approximately $40,000 and $564,800, respectively.

As of June 30, 2021, we had three promissory notes totaling approximately $24.1 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, one promissory note totaling $0.9 million require DSCR of 1.15:1.0 and one promissory note totaling $1.3 million require DSCR of 1.30:1.0. We were in compliance with all covenants as of June 30, 2021. The loan issued to the Clearlake Preferred member has no DSCR requirements.

As of June 30, 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 $11.2 million due under the DC/Tampa/Huntsville loan, the $1.3 million loan secured by our Tampa Sherwin Williams property, the $0.9 million loan secured by our Irby property and the $1.3 million loan secured by our GSA Mateo NC property. The aggregate guaranteed principal amount of these loans total approximately $18.1 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 $12.9 million.

The Company modified the Bayport loans in February 2021 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 June 30, 2021 are as follows:

	As of June 30, 2021
2021(six months)	$ 4,786,649
2022	580,786
2023	1,890,494
2024	12,983,297
2025	252,318
2026and beyond	11,551,891
	$32,045,435

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 six-months ended June 30, 2020, we paid 3 Properties approximately $26,500 for asset management services related to the properties owned by GIP.

Note 11 – Commitments and Contingencies

As of June 30, 2021, we had one outstanding agreement to acquire a property:

On June 22, 2021, we executed a purchase and sale agreement for the acquisition of a 15,288 square-foot single-tenant retail building in Rockford, Illinois for total consideration of approximately $4.5 million. The building is occupied by La-Z-Boy Incorporated with approximately 6.3 years remaining on their primary lease term and annualized base rent of approximately $360,100. The transaction closed subsequent to period end. See Note 12-Subsequent Event.

Note 12 – Subsequent Event

On August 13, 2021, the Company acquired the 15,288 square foot single tenant building in Rockford, IL for total consideration of approximately $4.5 million. The acquisition was funded with a Redeemable Non-Controlling Interest Contribution from Richard Hornstrom to one of our subsidiaries of $0.65 million, Tenants in Common ownership from Sunny Ridge HHP, LLC ("Sunny Ridge") of $1.2 million and debt financing of approximately $2.7 million. Mr. Hornstorm owns 50% of Sunny Ridge and contributed $600,000 of $950,000 Redeemable Non-Controlling Interest contribution for the Plant City, FL property.

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	—	321,328	—
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
Repayments of note payable - related party	(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.

1,500,000 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	$ 4,640
FINRA filing fee	15,500
Legal fees and expenses	528,000
Accounting fees and expenses	78,000
Transfer agent fees	5,000
Miscellaneous	505,860
Total	**$1,137,000**

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 (incorporated by reference to the Company's Amendment No. 8 to Registration Statement on Form S-11 filed on July 27, 2021).
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 (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
4.9	Form of Common Stock Purchase Warrant (incorporated by reference to the Company's Amendment No. 8 to Registration Statement on Form S-11 filed on July 27, 2021).
4.10	Form of Warrant Agent Agreement (incorporated by reference to the Company's Amendment No. 8 to Registration Statement on Form S-11 filed on July 27, 2021).
4.11	Form of Unit Certificate (incorporated by reference to the Company's Amendment No. 8 to Registration Statement on Form S-11 filed on July 27, 2021).
5.1	Legal Opinion of Foley & Lardner LLP (filed herewith).
8.1	Tax Matters Opinion of Foley & Lardner LLP. (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
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 (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).+
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 (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
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. (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
10.38	Tax Protection Agreement between the Company and Greenwal, L.C. dated September 30, 2019. (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
10.39	Guaranty Agreement dated April 21, 2021 between David Sobelman in the favor of the Bank of Tampa. (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
10.40	Purchase and Sale Agreement between GIPFL JV 1106 Clearlake Road, LLC and The Kissling Interests, LLC. (incorporated by reference to the Company's Amendment No. 6 to Registration Statement on Form S-11 filed on June 17, 2021).
10.41	Purchase and Sale Agreement dated June 22, 2021, by and between I-ROCKFORD LLC and GENERATION INCOME PROPERTIES L.P. (incorporated by reference to Exhibit 15.2 to the Company's Form 1-U filed on June 24, 2021).
10.42	Loan Agreement dated August 13, 2021 with American Momentum Bank (filed herewith).
10.43	Limited Liability Company Agreement of GIPIL 525 S Perryville RD, LLC (filed herewith).
10.44	Tenants in Common Agreement dated August 2, 2021 between GIPIL 525 S Perryville RD, LLC and Sunny Ridge MHP, LLC (filed herewith).
10.45	Limited Recourse Guaranty dated August 13, 2021 by David Sobelman in favor of American Momentum Bank (filed herewith).
21.1	List of Subsidiaries (incorporated by reference to the Company's Amendment No. 6 to Registration Statement onForm S-11 filed on June 17, 2021).
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 18th day of August 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	August 18, 2021
/s/ Richard Russell Richard Russell	Chief Financial Officer (Principal Financial and Accounting Officer)	August 18, 2021
/s/ Benjamin Adams Benjamin Adams	Director	August 18, 2021
/s/ Patrick Quilty Patrick Quilty	Director	August 18, 2021
/s/ Betsy Peck Betsy Peck	Director	August 18, 2021
/s/ Stuart Eisenberg Stuart Eisenberg	Director	August 18, 2021

Exhibit 5.1

FOLEY & LARDNER LLP

ATTORNEYS AT LAW

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August 18, 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 $20,700,000 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 Units 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 by the Secretary of the Company;

2. The Bylaws of the Company, as amended, certified 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 (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.

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 (other than 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) the Units, when issued and delivered by the Company in accordance with the Underwriting Agreement, will constitute binding obligations of the Company enforceable in accordance with their terms; (ii) the Shares, when issued and delivered by the Company in accordance with the Underwriting Agreement, will be duly authorized, validly issued, fully paid and non-assessable; (iii) the Warrants, when issued and delivered by the Company in accordance with the Underwriting Agreement, will constitute binding obligations of the Company enforceable in accordance with their terms; (iv) 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; (v) the Underwriter Warrants, when issued and delivered by the Company in accordance with the Underwriting Agreement, will constitute binding obligations of the Company enforceable in accordance with their terms; and (vi) 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

Exhibit 10.42

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is entered into as of the13th day of August 2021, by and between AMERICAN MOMENTUM BANK, its successors and assigns, (the "Lender") and GIPIL 525 S PERRYVILLE RD, LLC, a Delaware limited liability company, and, SUNNY RIDGE MIIP LLC, a Florida limited liability company (collectively, the "Borrower"), and, GENERATION INCOME PROPERTIES, L.P.., a Delaware limited partnership, ("Guarantor") and is made in reference to the following facts:

(A) On or about the date hereof, Borrower is borrowing from the Lender a loan in the principal amount of Two Million Seven Hundred Fifteen Thousand and No/100 Dollars ($2,715,000.00) (the "Loan"), evidenced by a promissory note in the amount of Two Million Seven Hundred Fifteen Thousand and No/100 Dollars ($2,715,000.00) (the "Note"). The Note will be secured by (a) a first priority Mortgage, Assignment of Leases and Rents and Security Agreement made by Borrower in favor of Lender (the "Mortgage"), which Mortgage encumbers the real and personal property more particular described therein (the "Premises"); (b) Assignment of Leases and Rents of even date herewith (the "Assignment of Leases and Rents"); (c) Commercial Security Agreement of even date herewith (the "Security Agreement"); (d) subordination and non-disturbance agreement; (e) Collateral Assignment of Lease as to the Lease Agreement with tenant, LZB Retail, Inc., dated March 14, 2017; and (f) Limited Recourse Guaranty made by David E. Sobelman, an individual, in favor of Lender, and, Absolute Guaranty of Payment and Performance made by Generation Income Properties, L.P., a Delaware limited partnership, in favor of Lender (collectively, the "Guarantor") (collectively the "Collateral").

(B) The Borrower has executed other instruments incident to the Loan, and all of such instruments, together with the Note and Instruments of Security, will be sometimes collectively referred to herein as the "Loan Documents".

(C) The Lender has required the execution of this Agreement as a condition to making the Loan to the Borrower, and the Borrower is agreeable to the same.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties covenant and agree as follows:

ARTICLE I - INTRODUCTORY PROVISIONS

1.1 Recitals. The statements contained in the recitals of fact set forth above (the "Recitals") are true and correct, and the Recitals by this reference are made a part of this Agreement.

1.2 Exhibits. All exhibits attached to this Agreement are by this reference incorporated in and made a part hereof.

1.3 Abbreviations and Definitions. The following abbreviations and definitions will be used for purposes of this Agreement:

(a) The abbreviations for the parties set forth in the Preamble will be used for purposes of this Agreement.

(b) The abbreviations and definitions set forth in the Recitals will be used for purposes of this Agreement.

(c) "Events of Default" shall mean the events of default specified in Article Eleven of this Agreement and each of such events shall be an "Event of Default".

(d) "Lien" shall mean any deed of trust, mortgage, pledge, security interest, encumbrance, lien, or charge of any kind (including any agreement to give any of the foregoing, any conditional sales or other title retention agreements, or any lease in the nature thereof, and the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction).

(e) "Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which all of its records are kept, currently at 401 E. Jackson Street, Suite 3300, Tampa, Florida 33602.

(f) "Proceeds" shall mean whatever is received upon the sale, exchange, collection or other disposition of the Collateral.

(g) "UCC" shall mean the Florida Uniform Commercial Code, as amended.

ARTICLE II - LOAN

2.1 Loan. The parties hereto acknowledge and agree that the Note evidences a loan from Lender to Borrower in the original principal amount of Two Million Seven Hundred Fifteen Thousand and No/100 Dollars ($2,715,000.00). The Note is payable according to the terms thereof.

2.2 Depository Account. Borrower, GIPIL 525 S PERRYVILLE RD, LLC, a Delaware limited liability company, shall maintain its primary depository relationship with Lender, and shall cause the Guarantor, GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership, to maintain its primary depository relationship with Lender as well (which accounts shall be subject to Lender's right of offset in the event of a default by Borrower).

ARTICLE III - CROSS COLLATERALIZATION / CROSS DEFAULT

The collateral for the Loan outlined herein shall serve as security for all other indebtedness of Borrower to Lender, whether now or hereafter existing, whether by way of renewal or modification, or whether primary, secondary, direct or indirect, by endorsement, guarantee, or otherwise. The Borrower hereby acknowledges and agrees that this Loan shall be cross-collateralized, and, a default under any other note(s) or other evidence of indebtedness or any instrument of security therefor in which the Borrower is liable and the Lender is the holder and which is not cured within the applicable grace or curative period therefor, if any, shall constitute a default under the Loan Documents and shall entitle Lender to all rights and remedies thereunder, including any and all remedies available against the Borrower. Upon five (5) days

written request from Lender, Borrower shall execute a Cross-Collateralization / Cross-Default Agreement, to be recorded in the public records of jurisdictions where any collateral of the Lender is evidenced and/or secured.

ARTICLE IV - USURY

It is not the intention of the parties hereto to make any agreement which shall be violative of the laws of the State of Florida relating to usury. In no event shall Borrower or Lender accept or charge any interest which, together with any other charges upon the principal or any portion thereof, howsoever computed, shall exceed the maximum legal rate of interest allowable under the laws of the State of Florida. Should any provisions of this Agreement or any existing or future Note, Loan Agreement or any other agreements between the parties be construed to require the payment of interest which, together with any other charges upon the principal, or any portion thereof, exceeds such maximum legal rate of interest, then Borrower agrees that the amount of interest collected above the maximum rate permitted by applicable law, together with interest thereon at the rate required by applicable law, shall be refunded to Borrower, and Borrower agrees to accept such refund, or, at Borrowers' option, such refund shall be applied as a principal payment on the Note.

ARTICLE V - REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender as follows:

5.1 Organization, Standing, Corporate Power. Borrower, GIPIL 525 S PERRYVILLE RD, LLC, is a limited liability company duly authorized and validly existing under the laws of the State of Delaware. Borrower, SUNNY RIDGE MHP LLC, is a limited liability company duly authorized and validly existing under the laws of the State of Florida. Each Borrower is duly authorized to transact business and to own and hold real property in the State of Illinois. Each Borrower has appropriate power and authority to own its properties and to carry on its business as now being conducted, and each Borrower has appropriate power and authority to execute and perform this Agreement and to deliver the Note and all other documents, instruments and agreements provided for herein. Each Borrower shall preserve its respective legal existence and be qualified to do business in all jurisdictions where its ownership of property or nature of business requires such qualifications.

5.2 This Agreement. The execution and performance by the Borrower of this Agreement, the borrowing hereunder, and the execution and delivery of the Note and all other documents, instruments and agreements provided for herein (a) have been duly authorized by all requisite entity action; (b) will not violate any provision of law applicable to Borrower or of the Borrowers' organizational documents; and (c) will not violate or be in conflict with, result in a breach of, or constitute a default under any indenture, agreement and other instrument to which the Borrower is a party or by which it or any of its properties is bound, or any order, writ, injunction or decree of any court or governmental institution.

5.3 Litigation. There are no actions, suits or proceedings pending, or, to the knowledge of the Borrower, threatened against or adversely affecting any Borrower at law or in equity or before or by any federal agency or instrumentality, which involve any of the transactions herein contemplated or the possibility of any judgment or liability which may result

in any material and adverse change in the business, operations, prospects, property or assets, or in the condition, financial or otherwise, of any Borrower. The Borrower, or any one of them, is not in default with respect to any judgment, order, writ, injunction, decree, rule or regulation of any court, or federal, state, municipal or other governmental department.

5.4 Financial Statements. Each Borrower has heretofore furnished to the Lender balance sheets, annual statements, and other financial information which are, to the best of its knowledge, correct and complete in all material respects and accurately present the financial condition and the results of the operation of such Borrower as of the dates thereof. Since the date of the last furnishing of said financial statements, there has been no material adverse change in the financial condition of any Borrower.

5.5 Taxes. Each Borrower has filed or caused to be filed all federal and state tax returns which, to the knowledge of the officers thereof, are required to be filed, and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it and not being contested in good faith, to the extent that such taxes have become due.

5.6 Other Instruments. Except as reflected on the financial statements referred to in Section 5.4, the Borrower is not a party to any agreement or instrument or subject to any charter or other restrictions adversely affecting its business, properties or assets, operations or condition, financial or otherwise. Each Borrower is in material compliance with all applicable regulatory requirements and all provisions of this Agreement.

5.7 Property and Assets. Each Borrower has good and marketable title to all the property and assets reflected on the most recent financial statement furnished to the Lender, except such as have been disposed of in the ordinary course of business since the date of said financial statements and all such property and assets are free and clear of mortgages, deeds of trust, pledges, liens, charges or other encumbrances, except as are reflected on the financial statements.

5.8 Regulation U. No part of the proceeds of any of the Loan will be used to purchase or carry, or to reduce or retire any loan incurred to purchase or carry, any margin stocks (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any such margin stocks. The Borrower, or any one of them, is not engaged in the business of extending credit, nor is one of the Borrowers' important activities extending of credit, for the purpose of purchasing or carrying such margin stocks. If requested by the Lender, each and every Borrower shall furnish to the Lender in connection with any loan hereunder a statement in conformity with the requirements of Federal Reserve Form U-1 referred to in said regulation.

5.9 Continuity of Representations and Warranties. All of the foregoing representations and warranties shall be true and correct at the time of the making of any advance under the Loan pursuant to this Agreement and thereafter until such Loan is paid in full as though made as of such time, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

5.10 No Governmental Restriction. To the best of Borrowers' knowledge, there is no moratorium or like governmental order or restriction now in effect with respect to the Collateral and, no moratorium or similar ordinance or restriction is now contemplated.

ARTICLE VI - CONDITIONS PRECEDENT

The obligation of the Lender to make the Loan hereunder is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties set forth in this Agreement shall be true and correct in all material respects on and as of the date of such borrowing or disbursement, with the same force and effect as though such representations and warranties had been made on and as of such date, except to the extent that any of the same relate to or are as of a specific date in which case they shall remain true and correct as of such specific date.

(b) No Default. At the time of each borrowing or disbursement hereunder, no Event of Default shall have occurred and be continuing (subject to applicable notice and cure periods).

(c) Officer's Certificate. If required by Lender, at the end of each calendar quarter, each Borrower shall deliver to the Lender a certificate signed by the Treasurer or Controller of such Borrower dated as of such date confirming that: no Event of Default then exists, and no event which would become an Event of Default upon notice or lapse of time or both has occurred and is then continuing; there is no litigation or proceeding pending or, to the knowledge of such Borrower, threatened against or affecting the Borrower, the result of which might substantially affect the financial condition, business or operations of the Borrower; and there has been no materially adverse change in the financial condition of any Borrower since the date of the latest financial statement of Borrower submitted to the Lender.

(d) Environmental Report. A written report or reports, including that certain Phase I Environmental Assessment prepared by NV5 Transactional Services dated July 14, 2021 (collectively, "Environmental Report") prepared at Borrowers' sole cost and expense by an independent professional environmental consultant approved by Lender in its sole and absolute discretion, together with a reliance letter addressed to Lender or a separate agreement with such consultant permitting Lender to rely on such report.

(e) Liens and Encumbrances. The properties and assets of each Borrower, real, personal and mixed, are not subject to any liens, encumbrances or security interests or outstanding financing statements, whether filed or unfiled, except for liens for taxes not yet due and liens, encumbrances or security interests on personal or real property as reflected in the Borrowers' most recently submitted financial statements, or as shown on the title policies insuring the lien of the Mortgage securing the Loan.

(f) Authority. This Agreement and the other Loan Documents are valid and binding obligations of the Borrower, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally.

ARTICLE VII - AFFIRMATIVE COVENANTS

The Borrower covenants and agrees with the Lender, that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will:

7.1 Entity Existence. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence, and all its rights, licenses, permits and franchises required at the date hereof, or which may be required in the future conduct of its business, and comply in all material respects with all laws and regulations applicable to it that materially affect the Borrower, and conduct and operate its business in the same lines and in substantially the same manner in which presently conducted and operated (subject to changes in the ordinary course of business), and at all times maintain, preserve and protect all property used and useful in the conduct of its business, and maintain same in good working order and condition, reasonable and ordinary wear, tear and depreciation excepted.

7.2 Insurance. Keep its insurable properties, if any, insured as required under the Mortgage securing the Loan. Borrower will furnish Lender with copies of such insurance policies containing endorsements in favor of Lender as loss payee and mortgagee as its interest may appear on policies other than liability policies as provided in the Mortgage securing the Loan.

7.3 Obligations and Taxes. Pay all indebtedness and obligations promptly and in accordance with the terms thereof, and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or in respect of its property, before the same shall become in default; provided, however, Borrower shall not be required to pay and discharge or cause to be paid and discharged any such tax assessment, charge, levy or claim so long as the validity thereof shall be contested in good faith by appropriate proceedings and the Borrower shall set aside on its books adequate reserves with respect to any such tax, assessment, charge, levy or claim so contested.

7.4 Notice of Litigation. Furnish to Lender within ten (10) days after service of process or equivalent notice, written notice of any litigation involving greater than FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00) in damages or otherwise in cost to Borrower, including arbitrations and of any proceeding by or before any governmental agency.

7.5 Notice of Certain Matters. Give prompt written notice to Lender of all Events of Default of which Borrower is aware; if applicable, changes in management, litigation, and of any other matter which has resulted in, or might result in, a materially adverse change in its financial condition or operation.

7.6 Records. Keep and maintain full and accurate accounts and records of its operations and will permit Lender and its designated officers, employees, agents and representatives, to have access thereto and to make examination thereof upon not less than seventy-two (72) hours' notice at all reasonable times during normal business hours, to make audits, and to inspect and otherwise check its properties, real, personal and mixed.

7.7 Execution of Other Documents. Promptly, upon demand by Lender, execute all such additional agreements, contracts, indentures, financing statements, documents and

instruments in connection with this Agreement as Lender may reasonably deem necessary. (This authority shall be for ministerial matters only and shall not allow Lender to increase Borrowers' liability under the loan.).

7.8 Financial Statements. The Borrower will provide to the Lender, in form and content acceptable to the Lender, the following:

(a) Quarterly financial statements of the Borrower no later than 90 days after each quarter end, which financial statements reflect operations of all assets encumbered by loans to Borrower, or any one of them.

(b) Annual financial statement of the Borrower and Guarantor no later than 120 days after fiscal year end.

(c) Annual tax returns of the Borrower and Guarantor not later than 30 days after filing.

(d) All additional financial documents required to be provided to the SEC by Borrower.

(e) Customary commercial real estate project reporting and compliance information.

(f) All executed lease documents and amendments executed by the Borrower and/or encumbering the real property described in the Mortgage.

(g) Other information that may be reasonably required by the Lender and its legal counsel.

Notwithstanding anything to the contrary contained herein, so long as Borrower remains a publicly reporting company, it shall not be required to deliver any of the foregoing documents which are available through its public filings with the SEC.

7.9 Debt Service Coverage Ratio. Borrower will maintain a minimum debt service coverage ratio ("DSCR") of 1.50:1.0, measured annually based on its year and financial statements relating solely to the real estate Collateral, BEGINNING AS OF December 31, 2021. For purposes of this Agreement and the Loan, DSCR shall be defined as net operating income ("NOI") less a three percent (3.0%) annual management fee, and less a two percent (2.0%) annual replacement reserve, divided by the maximum principal borrowing outstanding, amortized over twenty-five (25) years, using the Interest Rate identified in the Note, with a minimum Interest Rate of 3.50% per annum.

7.10 Subordination of Debt. Subordinate all cumulative officer and shareholder/ member debt in excess of $100,000.00.

7.11 Obligation to Deliver Collateral Assignment(s).

(a) In the event that any Borrower should undertake or contract to undertake any material improvement(s) or alteration(s) to the construction, operation use or occupancy of the real property described in the Mortgage, Borrower shall promptly execute a Collateral

Assignment of Plans and Specifications, and, a Collateral Assignment of Agreements, Licenses and Permits and Power of Attorney, both in favor of Lender and in formats approved by Lender in its sole discretion, as well as such other and additional agreements, documents and instruments in connection with this Agreement as Lender may reasonably deem necessary.

(b) In the event that the Borrower should enter into any contract or agreement concerning the operation and/or management of the real property described in the Mortgage, Borrower shall promptly execute a Collateral Assignment of Management Agreement and Subordination of Management Agreement in favor of Lender, in a form approved by Lender, as well as such other and additional agreements, documents and instruments in connection with this Agreement as Lender may reasonably deem necessary.

ARTICLE VIII - NEGATIVE COVENANTS

The Borrower covenants and agrees with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed under the Loan, unless the Lender shall otherwise consent in writing delivered to the Borrower, it will not:

8.1 Notes, Accounts Receivable. Sell, discount or otherwise dispose of notes, accounts receivable or other rights to receive payments, with or without recourse, except for collection in the ordinary course of business.

8.2 Consolidations, Mergers, Sale of Business. During the term of the Loan, merge, consolidate, reclassify, or sell the business or any of its capital stock without the written approval of the Lender.

8.3 Loans. Make any loans to any person, firm or entity, nor become a guarantor or surety, nor pledge credit in any manner, directly or indirectly.

8.4 (Intentionally Omitted

8.5 Liens. Incur, create, assume or permit to exist any mortgage, deed of trust,
pledge, lien, charge, security interest or other encumbrance of any nature whatsoever on the property comprising, in part the Collateral, except to Lender, other than liens for taxes or assessments and similar charges either: (i) not delinquent; or (ii) being contested in good faith by appropriate proceedings and as to which the Borrower shall have set aside on its books adequate reserves.

8.6 Default Under Other Agreements or Contracts. Commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions of any other agreement, mortgage, deed of trust, contract, indenture, document or instrument executed by it, except those that may be contested in good faith, and would not, if settled unfavorably, materially and adversely affect the financial condition of the Borrower.

8.7 Compliance with Law Generally. Be in violation in any material respect of any law, ordinance, governmental rules or regulations to which any Borrower is subject and which is material to its business, or fail to obtain any licenses, permits, franchises or other governmental authorizations necessary to the ownership of the properties of any Borrower or to the conduct of its business, which violation or failure to obtain might materially adversely affect the business, prospects, profits, properties or condition (financial or otherwise) of any Borrower.

8.8 [Intentionally Omitted].

8.9 Management. Make any material change in its management or basic business, or enter into any merger, reorganization or acquisition transaction, without the express written permission of Lender, which shall not be unreasonably withheld or delayed.

8.10 [Intentionally Omitted].

8.11]Intentionally Omitted].

8.12 Additional Debt of Borrower. Obtain any secondary liens on property in the Collateral without prior approval of Lender, in Lender's sole and complete discretion.

ARTICLE IX - COLLATERAL

As security for the full and timely payment of the Note, together with interest thereon, as well as any renewals, modifications or extensions thereof, and to secure performance of the Loan Documents, each Borrower covenants and agrees to execute and deliver mortgages, deeds of trust, security agreements, assignments, subordination non-disturbance agreements, and financing statements in favor of Lender, in form and substance acceptable to Lender, granting to Lender a first priority Mortgage, as applicable, in the property comprising the Collateral and a perfected first security interest in fixtures and personal property described in any such Mortgage, subject to no other liens, encumbrances, or security interests in and to the real property, and related personal property, comprising the Collateral, except for (i) matters shown on the title insurance policy in favor of Lender issued in connection with the Mortgage, and, (ii) liens for taxes or assessments and similar charges which are not yet due and payable ("Instruments of

ARTICLE X - DEFAULTS AND REMEDIES

10.1 Events of Default. If any one or more of the following events (herein called "Events of Default") shall occur for any reason whatsoever (and whether such occurrences shall be voluntary or involuntary, or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body) and not be cured within any applicable cure period afforded by this Section 10.1, then Lender shall be entitled to the remedies set forth in Section 10.2 of this Agreement. The Events of Default shall include, but not be limited to, the following:

(a) Any representation or warranty made herein or in any report, certificate, financial statement or other instrument furnished by Borrower in connection with this Agreement, or the borrowing hereunder shall prove to be false or misleading in any material respect when made;

(b) Default shall occur in the payment of interest or principal on any indebtedness referred to herein, specifically including the Note, within ten (10) days of when and as the same shall become due and payable, whether at the due date thereof or by acceleration or

otherwise, or failure of the Borrower to make payment of principal or interest on any other obligation for borrowed money owed to Lender, or in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause or permit the acceleration of the maturity thereof;

(c) Any default shall occur in the due observance or performance of any covenant, agreement or other provision of this Agreement or the Instruments of Security referred to above other than for the payment of money, which is not cured within thirty (30) days after written notice thereof from Lender to Borrower, unless, however, such default cannot through the exercise of reasonable diligence be cured within such thirty (30) day period, in which case, Borrower shall have such longer period of time as is reasonably necessary to cure such default, but not longer than ninety (90) days in any and all events, provided that it commences such cure within the initial thirty (30) day period and thereafter diligently prosecutes such cure to completion;

(d) The Borrower or any Guarantor of the Loan (collectively the "Borrower Group") shall: (i) apply for or consent to the appointment of a receiver, trustee in bankruptcy for benefit of creditors, or liquidator of it or any of its property; (ii) admit in writing its inability to pay its debts as they mature; (iii) make a general assignment for the benefit of creditors; (iv) be adjudicated a bankrupt or insolvent; (v) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors, or seeking to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute or an answer admitting an act of bankruptcy alleged in a petition filed against it in any proceeding under any such law; (vi) take any action for the purposes of effecting any of the foregoing; or (vii) die and not be replaced by a substitute acceptable to Lender in its sole discretion within 120 days;

(e) An order, judgment or decree shall be entered against any person or entity comprising the Borrower, or any one of them, with the application, approval or consent of the entity by any court of competent jurisdiction, approving a petition seeking its reorganization or appointing a receiver, trustee or liquidator of any such party, or of all or a substantial part of the assets thereof, and such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) days from the date of entry thereof;

(f) Final judgments for the payment of money in excess of an aggregate of Fifty Thousand and No/100 Dollars ($50,000.00), excluding claims covered by insurance, shall be rendered against the Borrower and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, provided that a judgment shall be deemed "final" only when the time for appeal shall have expired without an appeal having been claimed, or all appeals and further review claimed to have been determined adversely to the Borrower;

(g) A material adverse change in the financial condition of the Borrower;

(h) A default in or breach of any covenant in the Loan Documents by Borrower which is not cured within the applicable grace or curative period therefor.

10.2 Remedy. Upon the occurrence of any such Event of Default and after the curative periods therefor have run, Lender may, at its option, declare all indebtedness of principal and interest due and payable, whereupon the Note, (notwithstanding any provisions hereof) shall be immediately due and payable, and Lender shall have and may exercise from time to time any and all rights and remedies available to it under any applicable law; and Borrower shall promptly pay all reasonable, actual, documented costs of Lender of collection of any and all liabilities, and enforcement of rights hereunder, including reasonable attorneys' fees, and legal expenses of any repairs to any of the Collateral, and expenses of repairs to any realty or other property to which any of the Collateral may be affixed. Actual, reasonable and documented expenses of retaking, holding, preparing for sale, selling, or the like, shall include Lender's reasonable attorney's fees and legal expenses. Upon disposition by Lender of any Collateral of Borrower in which Lender has a security interest, Borrower shall be and remain liable for any deficiency, and Lender shall account to Borrower for any surplus, and to hold the same as a reserve against all or any liabilities of Borrower to Lender whether or not they, or any of them be then due, and in such order of application as Lender may, from time to time, elect. All rights, powers and remedies contained herein or in any other agreement, instrument or document executed in connection herewith are cumulative. As to any default other than failure to pay sums due to Lender, and so long as the Lender's security is not impaired as determined in Lender's sole discretion, the afore-referenced curative period will be extended as long as Borrower is exercising reasonable good faith and diligence in curing such incident of default.

In addition to the foregoing, Lender may do any or all of the following to the maximum extent permitted under the laws of the State of Florida, either in the name of Lender or in the name of Borrower:

(i) Enforce all rights of Borrower under any contracts made by Borrower in connection with the Collateral or may, if Lender deems it advisable, cancel any or all of such contracts.

(ii) Take over and use all or any part of the materials, supplies, fixtures, equipment and other personal property contracted for by Borrower.

ARTICLE XI - APPOINTMENT OF A RECEIVER

In case of default beyond the applicable curative period in any of the terms, covenants and provisions of the Agreement, or upon the institution of suit to enforce any rights and remedies of Lender hereunder, then Lender shall immediately and without notice, be entitled as a matter of right, and without regard to the value of the Collateral, or the solvency or insolvency of the Borrower, to the appointment of a Receiver of all assets of Borrower, with the usual powers of Receivers in such cases, said Receiver to continue to act for such period of time as the Court appointing said Receiver may deem just and proper.

12.1 Borrowers' Recourse Events. The Loan will be non-recourse to Lender, *except for* Lender's standard carve out for "bad acts", which include any loss or damage suffered by Lender as a result of the occurrence of any of Borrowers' Recourse Events (as defined in the Guaranty) and shall include:

(a) fraud, willful misconduct, intentional misrepresentation or failure to disclose a material fact by or on behalf of Borrower or Guarantor, in connection with the Loan, including by reason of any claim under the Racketeer Influenced and Corrupt Organizations Act (RICO);

(b) wrongful removal or destruction of any portion of the Premises (as defined in the Loan Agreement) or damage to the Premises caused by willful misconduct or gross negligence of Borrower or Guarantor;

(c) any physical and intentional waste of the Premises caused by the actions and/or inactions of Borrower and/or Guarantor;

(d) the forfeiture by Borrower of the Premises, or any portion thereof, because of the conduct of criminal activity by Borrower or Guarantor;

(e) the misappropriation or conversion in violation of the Loan Documents by or on behalf of Borrower of (i) any insurance proceeds paid by reason of any loss, damage or destruction to the Premises, (ii) any Awards or other amounts received in connection with the condemnation of all or a portion of the Premises, or (iii) any rental amounts or deposits relative to the Premises or (iv) any other funds due under the Loan Documents

(f) failure to pay charges for labor or materials or other charges that create a lien on any portion of the Premises, to the extend such lien is not bonded or discharged within one hundred twenty (120) days after filing;

(g) failure of Borrower to pay to Lender upon demand after a Default (as defined in the Loan Agreement) all rents to which Lender is entitled under the Loan Documents and the amount of all security deposits collected by Borrower from income from the Premises, if any;

(h) failure to pay real estate taxes or transfer taxes applicable to the Premises to the extent there is available cash flow from the Premises to pay for the same; and/or

(i) failure to obtain and maintain the necessary insurance required pursuant to the Loan Agreement.

12.2 Exculpation. Subject to the occurrence of any of Borrowers' Recourse Events, Lender shall not enforce the liability and obligation of Borrower to perform and observe the obligations contained in the Loan Documents by any action or proceeding wherein a money judgment shall be sought against Borrower, Borrowers' direct or indirect constituent partners, shareholders, members, principals, officers, agents, or employees, except for the limited recourse provisions of the Guaranty, except that Lender may bring a foreclosure action, an action for

specific performance or any other appropriate action or proceeding to enable Lender to enforce and realize upon its interest and rights under the Loan Documents, or in the Premises, the rents or any other collateral given to Lender pursuant to the Loan Documents; provided, however, that, except as specifically provided herein, any judgment in any such action or proceeding shall be enforceable against Borrower only to the extent of Borrowers' interest in the Property, in the rents and in any other collateral given to Lender, and Lender shall not sue for, seek or demand any deficiency judgment against Borrower in any such action or proceeding under or by reason of or under or in connection with any Loan Document. The provisions of this Section 12.2 shall not, however, (i) constitute a waiver, release or impairment of any obligation evidenced or secured by any Loan Document; (ii) impair the right of Lender to name Borrower as a party defendant in any action or suit for foreclosure and sale under the Mortgage; (iii) affect the validity or enforceability of any of the Loan Documents or the Guaranty made in connection with the Loan or any of the rights and remedies of Lender thereunder; (iv) impair the right of Lender to obtain the appointment of a receiver; (v) impair the enforcement of the Assignment of Leases and Rents; (vi) constitute a prohibition against Lender to commence any other appropriate action or proceeding in order for Lender to fully realize the security granted by the Mortgage or to exercise its remedies against the Property; or (vii) constitute a waiver of the right of Lender to enforce the liability and obligation of Borrower, by money judgment or otherwise, to the extent of any loss, damage, cost, expense, liability, claim or other obligation incurred by Lender (including attorneys' fees and costs reasonably incurred) arising out of or in connection with the occurrence of any of Borrowers' Recourse Events.

ARTICLE XIII - MISCELLANEOUS

13.1 Notices. All notices which are required or permitted hereunder must be in writing and shall be deemed to have been given, delivered or made, as the case may be (notwithstanding lack of actual receipt by the addressee) (i) when delivered by personal delivery, (ii) three (3) days after having been deposited in the United States mail, certified or registered, return receipt requested, sufficient postage affixed and prepaid, or (iii) one (1) day after having been deposited with an expedited, overnight courier service (such as Federal Express), addressed to the party to whom notice is intended to be given at the address set forth below.

If to Borrower: GIPIL 525 S PERRYVILLE RD, LLC
Attn: David E. Sobelman, President
401 E. Jackson Street, Suite 3300
Tampa, Florida 33602

SUNNY RIDGE MHP LLC
Attn: Richard N. Hornstrom, Managing Member
1002 Locke Street
Avon Park, Florida 33825

If to Guarantor: GENERATION INCOME PROPERTIES, L.P.,
Generation Income Properties, Inc., General Partner
Attn: David E. Sobelman, President
401 E. Jackson Street, Suite 3300
Tampa, Florida 33602
Attn: David E. Sobehnan, President

If to Borrower or Guarantor, with copy to:	TRENAM LAW 200 Central Avenue, Suite 1600 St. Petersburg, Florida 33701 Attention: Tim Hughes, Esquire
If to Lender:	AMERICAN MOMENTUM BANK Attention: Commercial Loan Department 500 South Washington Boulevard Sarasota, Florida 34236
If to Lender, with copy to:	BUCHANAN INGERSOLL & ROONEY PC 401 E. Jackson Street, Suite 2400 Tampa, Florida 33602 Attention: Leonard H. Johnson, Esquire.

13.2 Survival of Representations. All covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by Lender of the Loan herein contemplated and the execution and delivery to Lender of the Note evidencing such Loan and shall continue in full force and effect so long as any indebtedness created hereunder is outstanding and unpaid. All covenants and agreements by or on behalf of either party which are contained or incorporated in this Agreement shall bind and inure to the benefit of the successors and assigns of both parties hereto.

13.3 Effect of Delay. Neither any failure nor any delay on the part of Lender in exercising any right, power or privilege hereunder or under the Note shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege.

13.4 Expenses. The Borrower will pay all out-of-pocket and documented expenses reasonably incurred by Lender in connection with the preparation of this Agreement, the borrowings hereunder, and the enforcement of the rights of Lender in connection with this Agreement, or with the Loan made or the Note issued hereunder, including but not limited to the fees of and expenses of counsel for Lender.

13.5 Modification and Waivers. No modification or waiver of any provision of this Agreement or of the Note nor consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower in any case shall thereby entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances.

13.6 Business Day. Should any installment on the Note become due and payable on other than a business day of the Lender, the maturity thereof shall be extended to the next succeeding business day with interest on the principal amount thereof at the rate set forth herein.

13.7 Remedies Cumulative. Any rights or remedies of the Lender hereunder or under the Note, or any other security agreement or writing shall be cumulative and in addition to every other right or remedy contained therein or herein, whether now existing or hereafter at law or in equity or by statute or otherwise.

13.8 Binding Agreement. This Agreement shall be binding upon the parties hereto and their successors and assigns and the terms hereof shall inure to the benefit of Lender and its successors and assigns.

13.9 Exhibits. All references to "Exhibits" contained herein are references to exhibits attached to the Agreement, the terms and conditions of which are made a part hereof for all purposes, the same as if set forth herein verbatim.

13.10 Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where appropriate.

13.11 Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.

13.12 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part.

13.13 All Loans One Loan. All loans and/or advances made hereunder shall constitute one loan and the obligations of such loans and/or advances shall constitute one obligation secured by the Collateral provided for herein.

13.14 Governing Law. All documents executed pursuant to the transactions contemplated herein, including, without limitation, this Agreement and each of the Loan Documents, shall be deemed to be contracts made under, and for all purposes shall be construed in accordance with the internal laws and judicial decisions of the State of Florida even if executed outside thereof; provided that this Section 13.14 shall not affect the applicability of, and interpretation or construction of, appropriate terms and provisions under the laws of any jurisdiction which govern the security interests, including mortgages, deeds of trust, and/or deeds to secure debt in any of the Collateral relating to real property, and related pledged personal property, which is within the Collateral and located outside of the State of Florida. The Borrower hereby submits to the jurisdiction and venue of the state and federal courts of Florida for the purposes of resolving disputes hereunder or for the purposes of collection.

13.15 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

13.16. WAIVER OF JURY TRIAL. BORROWER AND LENDER AGREE THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT BY LENDER OR BORROWER, ON OR WITH RESPECT TO THIS LOAN AGREEMENT OR ANY

OTHER LOAN DOCUMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO OR THERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. LENDER AND BORROWER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND INTELLIGENTLY AND WITH THE ADVICE OF THEIR RESPECTIVE COUNSEL, WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, BORROWER WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR OTHER DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS LOAN AGREEMENT AND THAT LENDER WOULD NOT EXTEND CREDIT TO BORROWER IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS LOAN AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above set forth.

[Signature Page to Follow — This Space Left Blank Intentionally]

Signed and witnessed in the presence of:

_____ , Witness

Print or type your name here

_____

_____ , Witness

Print or type your name here

LENDER:

AMERICAN MOMENTUM BANK

By: /s/ Porter Smith
Porter Smith
Its: Tampa Bay Market President

(Seal)

BORROWER:

GIPIL 525 S PERRYVILLE RD, LLC,
a Delaware limited liability company

By: /s/ David E. Sobelman
David E. Sobelman
Its: President

(Seal)

_____ , Witness
Print or type your name here

/s/ ARLENE Ids BRYSON

ARLENE Ids BRYSON , Witness
Print or type your name here

SUNNY RIDGE MHP LLC,
a Florida limited liability company

By: /s/ Richard N. Homstrom
Richard N. Homstrom
Its: Managing Member

(Seal)

_____ , Witness
Print or type your name here

/s/ ARLENE M. BRYSON

ARLENE M. BRYSON , Witness
Print or type your name here

GUARANTOR:

GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership

By: Generation Income Properties, Inc.,
a Maryland corporation
Its: General Partner

By: /s/ David E. Sobelman
David E. Sobelman
Its: President

Print or type your name here
(Seal)

Print or type your name here

Exhibit 10.43

LIMITED LIABILITY COMPANY AGREEMENT OF

GIPIL 525 S PERRYVILLE RD, LLC

Dated as of August 2, 2021

This LIMITED LIABILITY COMPANY AGREEMENT (the "Agreement") of GIPIL 525 S PERRYVILLE RD, LLC (the "Company"), a Delaware limited liability company, is entered into this 2nd day of August 2021 by Generation Income Properties, L.P., a Delaware limited partnership, as managing member ("GIPLP", "Common Member", or "Manager"), and Richard N. Hornstrom, an individual ("Hornstrom") (the "Preferred Member"). GIPLP and the Preferred Member are each a Member.

RECITALS:

WHEREAS, the Company was or shall be formed as a limited liability company pursuant to the provisions of the Act by the filing of a certificate of formation (the "Certificate") in the office of the Delaware Secretary of State on or about July 21, 2021;

WHEREAS, the Company desires to purchase an undivided interest in real estate property using equity from the Members and debt; and

WHEREAS, the Company and the Members desire to enter into this Agreement in order to set forth their mutual agreements regarding the terms on which the Company shall be owned and operated.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

General Provisions

Section 1.01 Formation. On July 21, 2021, a Certificate of Formation was filed in the office of the Secretary of State of the state of Delaware in accordance with and pursuant to the Act. The rights, powers, duties, obligations, and liabilities of the Members shall be determined pursuant to the Delaware Act and this Agreement. To the extent that the rights, powers, duties, obligations, and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

Section 1.02 Name and Place of Business. The name of the Company shall be GIPIL 525 S PERRYVILLE RD, LLC, and its principal place of business shall be 401 East Jackson Street, Suite 3300, Tampa, FL 33602. The Manager may change such name, change such place of business or establish additional places of business of the Company as the Manager may determine to be necessary or desirable.

Section 1.03 Business and Purpose of the Company. The purpose of the Company is to (i) either directly or through a wholly-owned subsidiary, acquire, own, finance, refinance, rehab, develop, lease, operate, manage, hold for investment, exchange, sell, dispose of, and transfer the Property (as defined below), and (ii) engage in any other activities relating or incidental thereto as may be necessary to accomplish such purpose. The Company may not engage in any business unrelated to its purpose without the prior written consent of each Preferred Member.

Section 1.04 Term. The Company shall commence upon the filing of a Certificate of Formation for the Company in accordance with the Act, and shall continue until dissolved in accordance with this Agreement.

Section 1.05 Required Filings. The Manager shall execute, acknowledge, file, record, amend and/or publish such certificates and documents, as may be required by this Agreement or by law in connection with the formation and operation of the Company.

Section 1.06 Registered Office and Registered Agent. The Company's initial registered office and initial registered agent shall be as provided in the Certificate of Formation. The registered office and registered agent may be changed from time to time by the Manager by filing the address of the new registered office and/or the name of the new registered agent pursuant to the Act.

Section 1.07 Certain Transactions. Any Manager, Member, or any Affiliate thereof, or any shareholder, officer, director, employee, partner, member, manager or any Person owning an interest therein, may engage in or possess an interest in any other business or venture of any nature or description, whether or not competitive with the Company, including, but not limited to, the acquisition, syndication, ownership, financing, leasing, operation, maintenance, management, brokerage, construction and/or development of property similar to the Property and no Manager, Member or any Affiliate, or other Person shall have any interest in such other business or venture by reason of their interest in the Company.

Section 1.08 Defined Terms. Terms not otherwise defined herein shall have the meaning ascribed to them in the Glossary attached hereto as Exhibit A and incorporated herein by reference.

ARTICLE II

Members; Capital Accounts; Financing Transactions

Section 2.01 Members. GIPLP and each Preferred Member are hereby admitted as members in the Company. The respective names, class of interest, and Capital Contribution and date of Capital Contribution shall be reflected in Schedule A attached hereto. The Manager shall have the authority to amend Schedule A from time to time to reflect any changes, in accordance with the terms of this Agreement or any changes to the information set forth thereon. Except as otherwise provided by this Agreement or as otherwise required by the Delaware Act or Applicable Law, each Member shall be entitled to one vote per Class A Common Unit on all matters upon which the Members shall have the right to vote under this Agreement, and the Class A Preferred Units shall not entitle the holders thereof to vote on any matters required or permitted to be voted on by the Members. Meetings of the Members may be called by (i) the Board or (ii) by a Member or group of Members holding more than 20% of the then-outstanding

Class A Common Units. Written notice stating the place, date, and time of the meeting and, in the case of a meeting of the Members not regularly scheduled, describing the purposes for which the meeting is called, shall be delivered not fewer than ten (10) days and not more than thirty (30) days before the date of the meeting to each Class A Common Unit holder, by or at the direction of the Board or the Member(s) calling the meeting, as the case may be. The Class A Common Unit Members may hold meetings at the Company's principal office or at such other place as the Board or the Member(s) calling the meeting may designate in the notice for such meeting. Any Class A Common Member may participate in a meeting of the Members by means of conference telephone or other communications equipment by means of which all Persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. The business to be conducted at such meeting need not be limited to the purpose described in the notice. A quorum of any meeting of the Class A Common Members shall require the presence of the Members holding a majority of the Class A Common Units held by all Members. Notwithstanding the provisions of this Section, any matter that is to be voted on, consented to, or approved by the Class A Common Members may be taken without a meeting, without prior notice and without a vote if consented to, in writing or by email, by a Member or Members holding not less than a majority of the Class A Common Units held by all Members.

Section 2.02 Members' Interest. The Membership Interest of the Members shall be represented by issued and outstanding units of membership interest ("Units"), which may be divided into one or more types, classes or series. Each type, class or series of Units shall have the privileges, preference, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement with respect to such type, class or series. The Units of the Company shall initially be of two (2) types: "Class A Preferred Units" and "Class A Common Units."

Section 2.03 Capital. The capital of the Company shall consist of the amounts contributed to the Company pursuant to this Article II

Section 2.04 Initial Capital. The Company requires capital to fulfill its obligation to fund the purchase of an undivided ownership interest in the Property (the "TIC Interest"). Each Member shall make on or before the Closing Date of the TIC Interest (or has made), in accordance with their respective required Capital Contribution and the provisions below, Capital Contributions consisting of the following:

(a) Preferred Member Capital Contribution. Hornstrom shall contribute an amount of $650,000 of the Initial Capital Contribution agreed to by the Members and his Capital Account shall be credited with such amount and the Preferred Member shall receive his Membership Interest as set forth in Section 2.04(b)(i) in exchange.

(b) Generation Income Properties, L.P. Capital Contribution. GIPLP shall contribute an amount equal to approximately $50,000 of the Initial Capital Contribution agreed to by the Members and its Capital Account shall be credited with such amount and GIPLP shall receive its Membership Interest as set forth in Section 2.04(b)(ii) in exchange.

(i) Class A Preferred Units. Authorization and Issuance. Subject to compliance with Article IV, each Preferred Member has committed to the Company, subject to Section 2.04(a) of this Agreement, an Initial Capital Contribution equal to the amount as reflected in Schedule A of this Agreement (subject to a final determination and adjustment on or before the

Closing Date). The Company is hereby authorized to issue a class of Units designated as Class A Preferred Units. Class A Preferred Units issued shall, upon issuance thereof and full payment of each Preferred Member's Capital Contribution commitments therefor, be deemed to be duly authorized, validly issued, fully paid and nonassessable. A total of the number of Class A Preferred Units, as reflected in Schedule A of this Agreement (subject to a final determination and adjustment on or before the Closing Date) are hereby authorized for issuance by the Company, each at a price of $ 10.00 per Class A Preferred Unit, which if fully issued and full payment therefor received shall represent the total Capital Contribution, reflected in Schedule A of this Agreement (subject to a final determination and adjustment on or before the Closing Date), of the applicable Preferred Member. The Company shall pay a Preferred Return to each Preferred Member, on a monthly basis and subject to this Agreement.

(ii) Class A Common Units. Authorization and Issuance. Subject to compliance with Article IV, GIPLP has committed to the Company, subject to Section 2.04(b) of this Agreement, an Initial Capital Contribution equal to the amount as reflected in Schedule A of this Agreement (subject to a final determination and adjustment on or before the Closing Date). The Company is hereby authorized to issue a class of Units designated as Class A Common Units. Class A Common Units issued shall, upon issuance thereof and full payment of Capital Contribution commitments therefor, be deemed to be duly authorized, validly issued, fully paid and nonassessable. A total of the number of Class A Common Units, as reflected in Schedule A of this Agreement (subject to a final determination and adjustment on or before the Closing Date) are hereby authorized for issuance by the Company, each at a price of $1.00 per Class A Common Unit, which if fully issued and full payment therefor received shall represent the total Capital Contribution, reflected in Schedule A of this Agreement (subject to a final determination and adjustment on or before the Closing Date), of the Common Member.

Section 2.05 Capital Commitments.

(a) Agreement to Contribute Capital. The Members agree to make their respective Capital Contributions on or before the Closing of the TIC Interest. In the event additional capital is required by the Company, the Manager shall, in its sole discretion, take one or more of the following actions:

(i) cause the Company to obtain such additional funds from each Preferred Member and the Common Members in accordance with the terms hereof;

(ii) cause the Company to obtain funds from additional investors; and

(iii) cause the Company to seek to borrow the required additional funds from any third-party lender.

Section 2.06 Default by Members. Each Member agrees that: (i) payment of its required Capital Contributions and amounts required under this Agreement when due is of the essence, and is to be made absolutely and unconditionally in each case without any set-off, withholding, counterclaim, defense or reduction; (ii) any Default by any Member would cause injury to the Company and to the other Members; and (iii) that the amount of damages caused by any such injury would be extremely difficult to calculate. Upon the occurrence of a Default, the Manager may take such actions as it determines, in its sole discretion, are reasonable and appropriate with respect to the Default.

Section 2.07 Additional Capital Contributions. If the Manager determines that the Company requires cash in addition to the Capital Contributions set forth in this Agreement in order to carry out the purposes of this Agreement or to carry on the business of the Company, no more than 30 days after such determination, the Members may, but have no obligation, to agree to or make any additional contributions of additional capital; and the Manager may obtain additional financing from new investors after a written indication by each Member of the Member's decision not to provide additional Capital Contribution; provided, however, that the Manager shall be required to obtain the prior approval of each Preferred Member to accept additional Capital Contributions or obtain additional financing, in each case in excess of $100,000, which approval shall not be unreasonably withheld, conditioned or delayed, and which will be deemed provided if the additional financing or additional Capital Contribution is to be used to redeem the Preferred Member's Class A Preferred Units and is actually used for such purpose. The Members acknowledge and agree that if a Member decides not to contribute Additional Capital Contributions, such Member's Membership Interest may be decreased based on the Additional Capital Contributions of the other Members. Notwithstanding the Manager's right to accept additional financing from new investors or accept additional Capital Contributions in amounts less than $100,000, the Manager may not issue any new Membership Interests or obtain new financing in any amount without each Preferred Member's prior consent in the event the new Membership Interests or the terms of the new financing would negatively affect the Preferred Member's preferential right to distributions or redemption rights.

Section 2.08 Additional Member Capital Contributions. (a) Subject to complying with the terms of Section 2.07, the Manager shall have the right to admit one or more Persons as members of the Company (each an "Additional Member") with such rights and obligations as the Manager shall determine. Upon admission of any new Member (i) such Member shall be designated as a Preferred Member, Common Member or such other classification as the Manager shall elect based on such new Member's rights and obligations hereunder and (ii) subject to Sections 9.03 hereof, the Manager is authorized to amend this Agreement without any further action on the part of any other Member to reflect the admission of such new Member and its rights and obligations hereunder. Subject to the Act and this Section 2.08, any Membership Interest issued to Additional Members may be issued in one or more classes, or one or more series of any of such classes, with such designations, preferences and relative, participating, optional or other special rights, powers and duties as shall be determined by the Manager, in its sole and absolute discretion without the approval of any Member, and set forth in this Agreement or a written document thereafter attached to and made an exhibit to this Agreement (each, a "Membership Interest Designation"); provided, that that material terms of any Membership Interest Designation shall be set forth in any Additional Member Notice. Without limiting the generality of the foregoing, the Manager shall have authority to specify (a) the allocations of items of Company income, gain, loss, deduction and credit to each such class or series of Membership Interest; (b) the right of each such class or series of Membership Interest to share in Company distributions; (c) the rights of each such

class or series of Membership Interest upon dissolution and liquidation of the Company; (d) the voting rights, if any, of each such class or series of Membership Interest; and (e) the conversion, redemption or exchange rights applicable to each such class or series of Membership Interest; provided, however, that none of the foregoing shall reduce the Preferred Return for the Preferred Members of twelve percent (12%) IRR set forth in Section 4.03(c).

Section 2.09 Capital Accounts. A Capital Account shall be established and maintained for each Member in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(a) To each Member's Capital Account there shall be credited the amount of cash and the initial Gross Asset Value of any other property contributed by such Member as Capital Contributions to the Company, all Net Profits allocated to such Member pursuant to Section 3.01 and any items of income and gain that are specially allocated to such Member pursuant to Sections 3.02 and 3.03, and the amount of any Company liabilities assumed by such Member or which are secured by any property of the Company distributed to such Member (but only to the extent such liabilities are to be credited pursuant to the Treasury Regulations).

(b) To each Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property of the Company distributed to such Member pursuant to any provision of this Agreement, all Net Losses allocated to such Member pursuant to Section 3.01 and any items of loss and deduction that are specially allocated to such Member pursuant to Sections 3.02 and 3.03, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company (but only to the extent such liabilities are to be debited pursuant to the Treasury Regulations).

(c) Upon a transfer of any Membership Interest (or portion thereof) in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest (or portion thereof).

(d) The Manager may cause the Capital Accounts of the Members to be adjusted to reflect any revaluation(s) of any one or more Company assets made pursuant to, and in accordance with, the definition of Gross Asset Value and, further, in accordance with the provisions of Treasury Regulations Sections 1.704-1(b)(2)(iv)(f) and (g) (with such provisions being incorporated herein by reference).

Section 2.10 Return of Capital. Except as otherwise agreed by the Members, or as otherwise specifically provided herein, no Member shall be entitled to demand the return of, or to withdraw, any part of his Capital Contribution or any balance in his Capital Account, or to receive any distribution, except as provided for in this Agreement.

Section 2.11 Interest on Capital. No interest shall be payable on any Capital Contributions made to the Company.

Section 2.12 Member Loans. Any Member may make a Member Loan to the Company only with the approval of the Members. Member Loans shall be repaid in advance of amounts distributable to Members pursuant to Section 4.01, but shall be subordinated to payments of third party debt.

Section 2.13 No Obligation to Restore. The Manager shall have no obligation to restore a negative balance in its Capital Account.

ARTICLE III

Allocations of Profits and Loss

Section 3.01 Allocations of Net Profits and Net Losses. After giving effect to the special allocations and limitations set forth in Sections 3.02 and 3.03, Net Profits and Net Losses (and/or each and any of the items of income, gain, losses and deductions entering into the computation thereof) for any fiscal year or other relevant period shall be allocated to and among the Members in such manner that the Manager shall determine will result in the Capital Account balance for each Member (which balance may be positive or negative), after adjusting the Capital Account for all Capital Contributions and distributions and any special allocations required pursuant to this Agreement for the current and all prior fiscal years and other periods being (as nearly as possible) equal to the amount that would be distributed to the Member if the Company were to sell all of its assets at their current Gross Asset Value, pay all liabilities of the Company, and distribute the proceeds thereof in accordance with Section 4.03. Net Losses allocated pursuant to this Section 3.01 to a Member shall not exceed the maximum amount of Net Losses that can be allocated without causing such Member to have an Adjusted Capital Account Deficit at the end of any fiscal year or other relevant period. In the event that some but not all of the Members would have an Adjusted Capital Account Deficit as a consequence of an allocation of Net Losses pursuant to this Section 3.01, the limitations set forth herein shall be applied on a Member-by-Member basis and Net Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Members' Capital Accounts so as to allocate the maximum permissible Net Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d).

Section 3.02 Special / Regulatory Allocation. The following special allocations shall be made to the Members in the following order and priority:

(a) Member Nonrecourse Debt Minimum Gain Chargeback. Except as otherwise provided inSection 1.704-2(i)(4) of the Treasury Regulations, notwithstanding any other provision of this Article III , if there is a net decrease in "partner nonrecourse debt minimum gain" (as defined in Treasury Regulations Section 1.704-2(i)(2) attributable to "partner nonrecourse debt (as defined in Treasury RegulationsSection 1.704-2(b)(4)) during any fiscal year or other relevant period, each Member who or that has a share of the partner nonrecourse debt minimum gain attributable to such partner nonrecourse debt, determined in accordance with Section 1.704-2(i)(5) of the Treasury Regulations, shall be specially allocated items of Company income and gain for such fiscal year or other relevant period (and, if necessary, subsequent fiscal years and periods) in an amount equal to such Member's share of the net decrease in partner nonrecourse debt minimum gain attributable to such partner nonrecourse debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(i)(4) and 1.704-2(j)(2) of the Treasury Regulations. This Section 3.02(a) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(i)(4) of the Treasury Regulations and shall be interpreted consistently therewith.

(b) Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Treasury Regulations, notwithstanding any other provision of this Section 3.02, if there is a net decrease in "partnership minimum gain" (as defined in Treasury Regulations Section 1.704-2(b)(2) during any fiscal year or other relevant period, each Member shall be specially allocated items of Company income and gain for such fiscal year or other relevant period (and, if necessary, subsequent fiscal years and other periods) in an amount equal to such Member's share of the net decrease in partnership minimum gain, determined in accordance with Treasury Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f)(6) and 1.704(j)(2) of the Treasury Regulations. This Section 3.02(b) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(f) of the Treasury Regulations and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) which causes or increases an Adjusted Capital Account Deficit of such Member, items of Company income and gain shall be specially allocated to such Members in an amount and manner sufficient to eliminate any such Adjusted Capital Account Deficit as quickly as possible. This Section 3.02(c) is intended to qualify as a "qualified income offset" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) Member Nonrecourse Deductions. Any "partner nonrecourse deductions" (as defined in Treasury Regulations Section 1.704-2(i)(1)) for any fiscal year or other relevant period shall be specially allocated to the Member who bears the economic risk of loss with respect to the "partner nonrecourse debt" (as defined in Treasury Regulations Section 1.704-2(b)(4)) to which such partner nonrecourse deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i)(1).

(e) Nonrecourse Deductions. "Nonrecourse deductions" (as defined in Treasury Regulations Section 1.704-2(b)(1)) shall be allocated to the Members in proportion to their respective Percentage Interests.

(f) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated among the Members in a manner consistent with the manner in which each of their respective Capital Accounts are required to be adjusted pursuant to such section of the Treasury Regulations.

Section 3.03 Curative Allocations. The allocations set forth in Sections 3.01(c) and 3.02 (the "Regulatory Allocations") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 3.03. Therefore, notwithstanding any other provision of this Article III (other than the Regulatory Allocations), the Manager shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting

allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 3.01. In exercising its discretion under this Section 3.03, the Manager shall take into account future Regulatory Allocations that, although not yet made, are likely to offset other Regulatory Allocations previously made.

Section 3.04 Tax Allocations.

(a) General. For each fiscal year or other relevant period, items of income, deduction, gain, loss or credit shall be allocated for United States federal, and state and local, income tax purposes to and among the Members in the same manner as their corresponding book items are allocated to the Members pursuant to Sections 3.01, 3.02 and 3.03 hereof for such fiscal year or other relevant period, as modified by subsections (b) through (d) below:

(b) Section 704(c) Allocations. In accordance with Code Section 704(c) and the Treasury Regulations promulgated thereunder, Company income, gain, loss, and deduction with respect to any asset contributed to the capital of the Company shall, solely for tax purposes, be allocated to and among the Members so as to take account of any variation between the Company's adjusted tax basis in such asset for United States federal income tax purposes and the Gross Asset Value of the asset using any method (or methods) that the Manager determines to use and which is permitted under Code Section 704(c) and the Treasury Regulations thereunder.

(c) Reverse Section 704(c) Allocations. In the event the Gross Asset Value of any Company asset is adjusted pursuant to clauses (b) or (d) of the definition of "Gross Asset Value," subsequent allocations of Company income, gain, loss and deduction with respect to such asset shall take account of any variation between the Gross Asset Value of such asset immediately before such adjustment and its Gross Asset Value immediately after such adjustment using any method (or methods) that the Manager shall determine to use and which is permitted under Code Section 704(c) and the Treasury Regulations thereunder.

(d) Recapture Income. Depreciation and amortization recapture, if any, resulting from any sales or dispositions of tangible or intangible depreciable or amortizable property of the Company shall be allocated to and among the Members in the same proportions that the depreciation or amortization being recaptured was allocated to and among the Members to the maximum extent permissible under the Treasury Regulations.

(e) Other. Any elections or other decisions relating to allocations under this Section 3.04 will be made by the Manager. Allocations under this Section 3.04 are solely for purposes of United States federal, state and local taxes and will not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Profits or Net Losses or other items or distributions under any provision of this Agreement.

Section 3.05 Allocation in Event of Transfer. If there is a change in any Member's interest in the Company, whether by reason of a transfer of such interest, the admission of a new Member or otherwise, during any fiscal year or other relevant period, Net Profits, Net Losses and items thereof for such fiscal year or other relevant period shall be allocated using such method(s) that the Manager shall determine to use and which is permissible under Section 706(d) of the Code and the Treasury Regulations thereunder.

ARTICLE IV
Distributions

Section 4.01 General. The Manager shall have sole discretion regarding the amounts and timing of distributions of Distributable Operating Funds and Distributable Capital Transaction Proceeds to Members, including to decide to forego distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as the Manager deems necessary with respect to the reasonable business needs of the Company (which needs may include the payment or the making of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations, capital needs and expenses, the payment of any management or administrative fees and expenses, and reasonable reserves for contingencies); provided, that to the extent there are sufficient Distributable Operating Funds or Distributable Capital Transaction Proceeds to do so, the Preferred Return shall be distributed monthly.

Section 4.02 Distributable Operating Funds. Distributable Operating Funds shall be distributed as follows:

(a) First, to each Preferred Member, until the Unpaid Preferred Return of each such Preferred Member shall equal, or otherwise be reduced to, zero;

(b) Thereafter, 100% to the Common Member.

Section 4.03 Distributable Capital Transaction Proceeds. Distributable Capital Transaction Proceeds shall be distributed to the Members as follows:

(a) First, to each Preferred Member, until the Unpaid Preferred Return of each such Preferred Member shall equal, or otherwise be reduced to, zero;

(b) Then, to the Preferred Members and the Common Member, in proportion to their respective Unreturned Capital Contributions, until the Unreturned Capital Contributions of each Preferred Member and of the Common Member shall equal, or otherwise be reduced to, zero;

(c) Then, to the Preferred Members in the amount needed to cause the aggregate distributions made to Preferred Members pursuant to Section 4.02 and 4.03 to achieve a 12% IRR on the Preferred Members' Initial Capital Contribution; and

(d) Then, one hundred percent (100%) to the Common Member.

Section 4.04 Tax Distributions. Notwithstanding anything herein to the contrary and as a priority to the distributions to be made pursuant to either Section 4.02 or 4.03, the Company shall distribute and shall have distributed (in one or more distributions), to each Member during each United States federal taxable period and by no later than thirty days following the end of each such taxable period, an amount of cash equal to the product of (i) the highest combined effective federal income tax rates imposed on the ordinary income of married individuals, multiplied by (ii) such Member's Percentage Interest, multiplied by (iii) the amount of the Company's estimated (or if available, actual) taxable income as determined for federal income tax purposes for the applicable tax year that is allocable to the Members(such Member's "Tax

Distribution Amount" for such taxable period); provided, however, if the Manager determines that there shall be an insufficient amount of cash to so distribute to each Member for any taxable period, then the amount of cash that the Manager determines to be so available to distribute shall be distributed to the Members in proportion to their respective Tax Distribution Amounts, with any unpaid Tax Distribution Amounts to be treated as an additional Tax Distribution Amount for the immediately succeeding period for distribution pursuant to this Section 4.04. Any Tax Distribution Amount distributed to any Member shall be treated as, and shall reduce and be credited against, but without duplication, any amount(s) that would otherwise be distributable and distributed to such Member pursuant to Sections 4.02 and/or 4.03 including by reason of the application of Section 7.02(a) (and in the priorities as so provided in these sections).

Section 4.05 Withholding. The Company shall comply with any and all of its withholding obligations under the Code and under any applicable United States federal, state, local and, as applicable, foreign tax law. Each Member hereby authorizes the Manager and the Company to withhold or pay on behalf of or with respect to such Member any such withholding tax that the Manager determines, in its discretion, that it is required to withhold or pay with respect to any amount distributable or allocable to such Member pursuant to this Agreement. Any amount so withheld and/or paid over, and/or paid, by the Company to the Internal Revenue Service and/or any state, local or other tax or governmental authority, agency, entity, instrumentality or other body (any of the foregoing, a "Tax Authority") in respect of any payment, distribution and/or any Net Profits, income, profits and/or gain allocated or allocable by the Company to any Member shall be treated as an amount actually distributed or paid to such Member and shall reduce and be credited against (but without duplication) the first amount(s) that would otherwise be distributable or payable to such Member under any provision of this Agreement (including, without limitation, under any provision of this Article IV, including by reason of the application of Section 7.02(a)) or any other agreement or arrangement. Any determinations made by the Manager pursuant to this Section 4.05 shall binding upon the Members. Any Person who ceases to be a Member shall be deemed to be a Member for purposes of this Section 4.05, and the obligations of a Member pursuant to this Section 4.05 shall survive indefinitely with respect to any taxes withheld or paid by the Company that relate to the period during which such Person was actually a Member, regardless of whether such taxes are assessed, withheld or otherwise paid during such period.

ARTICLE V

Management of the Company

Section 5.01 Management of Business and Affairs.

(a) Except as otherwise expressly provided in this Agreement, the business and affairs of the Company shall be exclusively and solely vested in the Manager. Except as otherwise expressly provided in this Agreement, no Member, other than the Manager, shall be an agent of the Company or have any authority to bind or take action on behalf of the Company. The Member hereby agrees that there will be one Manager. The Manager shall hold office until the Manager resigns or is removed by the Common Member. It shall not be necessary for a Manager to be a Member. Any vacancy occurring in the Manager position may be filled by the Common Member.

(b) The Members hereby designate and appoint GIPLP to serve as the Manager of the Company. Subject to the approval of the Members for any Major Decision (defined below), the management of the Property shall rest with and remain the sole and absolute right, and responsibility of the Manager. All Members agree to cooperate with the Manager by executing any consents or certificates of the Company necessary to demonstrate to a lender, tenant or other service provider to the Company that the Manager has the power and authority set forth in this Section 5.01. Without limiting the generality of the foregoing, but subject to the express provisions of this Agreement to the contrary, the Manager shall have the full power and authority to do all things deemed necessary or desirable by it in its reasonable discretion to conduct the business of the Company and to effectuate the purposes set forth in Section 1.03 hereof, including, without limitation:

(i) the making of any expenditures that it reasonably deems necessary for the conduct of the activities of the Company;

(ii) the use of the cash assets of the Company for any purpose consistent with the terms of this Agreement which the Manager reasonably believes may benefit the Company and on any terms that the Manager sees fit and the repayment of obligations of the Company;

(iii) the management, operation, leasing (including the amendment and/or termination of any lease), landscaping, repair, alteration, demolition, replacement or improvement of any Property;

(iv) the negotiation, execution and performance of any contracts, leases, conveyances or other instruments that the Manager considers useful or necessary to the conduct of the Company's operations or the implementation of the Manager's powers under this Agreement, including contracting with property managers, contractors, developers, consultants, accountants, legal counsel, other professional advisors and other agents (including GIPLP service providers and property managers provided that the terms and conditions of any agreement or contract with such service providers and property managers shall be on terms no less favorable to the Company than terms available from unrelated parties) and the payment of their expenses and compensation out of the Company's assets;

(v) the distribution of Company cash and other Company assets in accordance with this Agreement and the holding and management of other assets of the Company;

(vi) the selection and dismissal of agents, outside attorneys, accountants, consultants and contractors of the Company and the determination of their compensation and other terms of employment or hiring;

(vii) the maintenance of such insurance for the benefit of the Company and the Members as it deems necessary or appropriate including casualty, liability and other insurance on the Property and other assets of the Company, which insurance may be obtained by a blanket insurance policy obtained by the Manager or its Affiliates, the control of any matters affecting the rights and obligations of the Company, including the settlement, compromise, submission to arbitration or any other form of dispute resolution, or abandonment of any claim, cause of action, liability, debt or damages due or owing to or from the Company, the commencement or defense of suits, legal proceedings, administrative proceedings, arbitrations or other forms of dispute resolutions, and the representation of the Company in all suits or legal proceedings, administrative proceedings, arbitrations or other forms of dispute resolutions, the incurring of legal expenses and the indemnification of any Person against liabilities and contingencies to the extent permitted by law;

(viii) holding, managing, investing and reinvesting cash and other assets of the Company;

(ix) the collection and receipt of rents, revenues and income of the Company;

(x) in addition to working capital and/or reserves required to be maintained under this Agreement, the maintenance of working capital and other reserves in such amounts as the Manager deems appropriate and reasonable from time to time; and

(xi) the making, execution and delivery of any and all deeds, leases, notes, deeds to secure debt, mortgages, deeds of trust, security agreements, conveyances, contracts, guarantees, warranties, indemnities, waivers, releases or legal instruments or agreements in writing necessary or appropriate in the judgment of the Manager for the accomplishment of any of the powers of the Manager enumerated in this Agreement.

(c) In addition to and without limiting the duties and obligations of the Manager as set forth above, the Manager shall (on behalf of the Company):

(i) cause the Company, directly or through its agents, at all times to perform and comply with the provisions of any loan commitment, agreement, mortgage, deed of trust, lease, construction contract or other contract, instrument or agreement to which the Company is a party or which affects the Property or the operation thereof;

(ii) keep and maintain at least such insurance coverage as may be required by the holder of any mortgage or deed of trust encumbering all or any portion of any Property;

(iii) open and maintain bank accounts for funds of the Company;

(iv) employ contractors for the ordinary maintenance and repair of the Property, including installation of tenant improvements as required by leases on the Property;

(v) retain or engage real estate brokers licensed to do business in the state in which the Property, or any part thereof, is located;

(vi) use reasonable efforts to enter into leases of space and other occupancy agreements on the Property on market terms and conditions, and in accordance with the requirements of any applicable loan;

(vii) employ such managing or other agents necessary for the operation, management and leasing of the Property including, without limitation, a property manager;

(viii) cause the Company to enter into a loan or loans to be secured by the Property;

(ix) retain or engage attorneys and accountants, to the extent such professional services are required during the term of the Company; and

(x) do any act which is necessary or desirable to carry out any of the foregoing.

(d) Notwithstanding the provisions of Section 5.01(b), 5.01(c) and 5.01(d) neither the Manager nor any other Member shall have any authority, in the name of or on behalf of the Company, to take any of the following actions or make any of the following decisions without the prior written consent or approval of the Members (each, a "Major Decision"):

(i) the sale, transfer, exchange or other disposition of the Property or TIC Interest;

(ii) the mortgage, pledge, encumbrance or hypothecation of the Property or TIC Interest;

(iii) refinancing any mortgage on the Property or any debt obligation of the Company;

(iv) any cross-collateralization of the assets of the Company with any affiliate of a Member;

(v) except with respect to a mortgage on the Property and as required by law, subordinate the Company's obligations to pay the Preferred Return to the Preferred Members hereunder;

(vi) except as provided in this Agreement, admit any Person as an Additional Member of the Company;

(vii) assign all or substantially all of the assets of the Company in trust for creditors or file on behalf of the Company a voluntary petition for relief under the bankruptcy laws or similar voluntary petition under state laws; and

(viii) cause the Company to become a party to any merger, consolidation or share exchange with any other entity or person, or dissolve or terminate the Company.

(e) Notwithstanding the provisions of Section 5.01(e), or any other provision of this Agreement, and for the purpose of avoiding any doubt, the terms of this Agreement shall not restrict the merger, consolidation, public offering, share exchange, sale or acquisition by or of GIPREIT in an fashion whatsoever.

(f) Whenever the Manager requests that the Members consent to any action required of the Members under the provisions of this Agreement, notice shall be delivered by the Manager to the Members, which notice shall be in writing and shall include (a) a summary of the terms and conditions of the actions requested to be taken by the Manager (b) a copy of any proposed documentation in substantially the form to be consented to, including any document to be executed by the Company or the Members in connection therewith. Notwithstanding the inference from the foregoing provisions to the contrary, the foregoing provisions of this Section 5.01(h) shall not be deemed to reduce any specific time periods for notice otherwise expressly set forth in this Agreement.

Section 5.02 Duties and Conflicts.

(a) The Members, in connection with their respective duties and responsibilities hereunder, shall at all times act in good faith and, except as expressly set forth herein, any decision or exercise of right of approval, consent, disapproval or deferral of approval by a Member (including the Manager) is to be made by such Member pursuant to the terms of this Agreement in good faith, but recognizing that each Member may act in its own economic self-interest and in accordance with such tax and business objectives as it deems appropriate or desirable for such Member. Except as otherwise agreed to in writing by the Members, no Member (including the Manager) or any partner, officer, shareholder or employee of any Member shall receive any salary or other remuneration for its services rendered pursuant to this Agreement. Notwithstanding the foregoing, GIPLP service providers and property managers may manage the Property pursuant to a separate management agreement the execution by the Company of which shall expressly not require the consent of any Preferred Member; provided, however, that the terms and conditions of any such agreement or contract shall be on terms no less favorable to the Company than terms available from unrelated parties.

(b) Each Member recognizes that the other Members (including the Manager) have or may have other business interests, activities and investments, some of which may be in conflict or competition with the business of the Company and that such other Member (including the Manager) is entitled to carry on such other business interests, activities and investments.

(c) No Member (including the Manager) shall be obligated to devote all or any particular part of its time and effort to the Company and its affairs.

(d) The Manager shall not be liable to the Company or to any other Member for any error in judgment, mistake or law or fact or for any other act or thing which it may do or refrain from doing in connection with the business and affairs of the Company, except in the case of a breach of any provision of this Agreement (after written notice to the Manager and a reasonable time to cure) or its willful misconduct, gross negligence or bad faith.

Section 5.03 Exculpation and Indemnification.

a) The Company shall indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, proceeding or investigation, whether civil, criminal, investigative or administrative, and whether external or internal to the Company (other than an action or suit brought by or in the right of the Company), by reason of the fact that such person is or was a Manager, Member, employee or trustee of the Company, or that, such person is or was an Affiliate of the Manager (including any partner, member, officer, director, shareholder, agent, advisor, or legal representative of the Manager or its Affiliates), Member, employee or trustee of the Company, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such Person in connection with such action, suit or proceeding, or any appeal therein, if such Person acted in good faith and in a manner he, she, or it reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit or proceeding whether by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the Person did not act in good faith and in a manner which he, she or it reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, that such Person had reasonable cause to believe that his, her or its conduct was unlawful.

b) The Company shall indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit brought by or in the right of the Company to procure a judgment in its favor by reason of the fact that he, she or it is or was a Manager, Member, employee or trustee of the Company or is or was an Affiliate of a Manager (including any partner, member, officer, director, shareholder, agent, advisor, or legal representative of the Manager or its Affiliates), Member, employee or trustee of the Company against expenses (including reasonable attorneys' fees) actually and reasonably incurred by such Person in connection with the defense, settlement or appeal of such action or suit if such Person acted in good faith and in a manner such Person reasonably believed to be in or not opposed to the best interests of the Company, except that no indemnification shall be made in respect of any claim, issue or matter as to which such Person shall have been adjudicated to be liable for gross

negligence or willful misconduct in the performance of his, her or its duty to the Company unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such Person is fairly and reasonably entitled to be indemnified for such expenses which the court shall deem proper.

c) Any indemnification under Sections 5.03(a) or 5.03(b) hereof (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that the indemnification of the Person in question is proper in the circumstances because that Person has met the applicable standards of conduct set forth in Sections 5.03(a) or 5.03(b) hereof. Such determination shall be made by the Manager, in its reasonable discretion, upon notice to each of the Members; provided, that if the Preferred Members jointly submit a written objection to such Manager's determination within fifteen (15) business days after receipt of such notice, then such determination shall be made by a court of competent jurisdiction.

d) To the extent that any Person referred to in Sections 5.03(a) or 5.03(b) hereof has been successful on the merits or otherwise in defense of any action, suit, proceeding or investigation, or any appeal or in defense of any claim, issue or matter therein, or on appeal from any such proceeding, action, suit, claim or matter, such Person shall be indemnified against all expenses (including reasonable attorneys' fees) incurred in connection therewith.

e) Expenses incurred in any action, suit, proceeding or investigation or any appeal therefrom may be paid by the Company in advance of the final disposition of such matter, as authorized by the Manager in the Manager's reasonable discretion, upon receipt of an acceptable undertaking by or on behalf of such Person to repay such amount, unless it shall ultimately be determined, as provided herein, that such Person is entitled to indemnification.

f) The indemnification provided by this Section 5.03 shall not be deemed exclusive of, and shall not affect, any other rights to which any Person seeking indemnification may be entitled under any law, agreement, or otherwise, and shall continue and inure to the benefit of the heirs, executors and administrators of such a Person.

g) The Company may purchase and maintain insurance on behalf of any Person who is or was a Manager, Member, employee or trustee of the Company against any liability asserted against such Person and incurred by him, her or it in any such capacity, or arising out of his, her or its status as such, whether or not the Company would have the power to indemnify such Person against such liability under the provisions of this Section. Such insurance may include "tail" coverage for periods after termination of service in such capacity or after liquidation, merger, consolidation or other change in the Company.

h) The Company shall, at its cost and expense, defend with counsel of the Company's choice or approval, any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding or investigation, whether civil, criminal or administrative, and whether external or internal to the Company by reason of the fact that he, she or it or was acting in any capacity described in Sections 5.03(a) or 5.03(b) hereof if he, she or it acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Company and with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful.

Section 5.04 Compliance with Certain Requirements.

Each Member hereby acknowledges that one of the partners of GIPLP is Generations Income Properties, Inc. ("GIPREIT"), a Maryland corporation that has made the election to be treated as, and which constitutes, a real estate investment trust (a "REIT") under Sections 856 *et. seq.* of the Code and the regulations, rules and requirements thereunder (collectively, the "REIT Rules"). Accordingly, and notwithstanding anything herein or in any other document governing the management and operation of the Property to the contrary, and for so long as GIPREIT continues to be so treated and so constitute a REIT, the Company shall be managed and operated as if itself is an entity subject to the REIT Rules even if such management and operation is, or could be or become, detrimental or adverse, financially, economically or otherwise, to the Company and/or any Member. To this end, the Manager (or any successor manager(s)) shall have the right to, and shall, cause the Company and/or any of its direct and indirect subsidiaries and Affiliates to take any action or to refrain from taking any action (including but not limited to using a protective trust to own assets) that the Manager determines would be necessary or desirable for the Company, if it itself were a REIT, to (i) preserve its continued qualification as a REIT; and/or (ii) avoid being subject to any excise or other taxes under Sections 857 or 4981 of the Code or under any of the other REIT Rules. For the avoidance of doubt, and notwithstanding anything herein or under any otherwise applicable law, rule, regulation or requirement to the contrary, neither the Manager (or any successor manager) nor any Member shall be liable to the Company, any Member or any other Person for any damages or losses that could result or arise from the Company being operated and/or managed as provided in this Section 5.04.

Section 5.05 Reliance by Third Parties. Persons dealing with the Company may rely conclusively upon the certificate of the Manager to the effect that it is then acting as the Manager and upon the power and authority of the Manager as herein set forth.

Section 5.06 Standard of Care; Activities of the Manager. The Manager and its Affiliates may at any time and from time to time engage in and possess interests in other business ventures of any and every type and description, and neither the Company nor the Members shall by virtue of this Agreement or otherwise have any right, title or interest in or to such independent ventures. The Manager and its Affiliates will have no obligation to offer to the Company, and are expressly permitted to invest directly or indirectly (independent of the Company and/or the Preferred Members) in any opportunities.

Section 5.07 Fees and Expense.

(a) Company Expenses. The Company shall pay directly, or reimburse GIPLP for all of the costs and expenses of the Company's operations, including, without limitation, the following costs and expenses: (a) all organization expenses advanced or otherwise paid by the Members; (b) all costs of personnel employed by the Company and directly involved in the Company's business, if any; (c) all compensation due to the Members or their Affiliates; (d) all costs of borrowed money, taxes and assessments on Property and other taxes applicable to the Company; (e) legal, accounting, audit, brokerage and other fees; fees and expenses paid to independent contractors, mortgage brokers, real estate brokers and other agents; (g) costs of leasing, acquiring, owning, developing, constructing, improving, operating, and disposing of Property; (h) expenses incurred in connection with the development, construction, alteration, maintenance, repair, remodeling, refurbishment, leasing and operation of Property; (i) all expenses incurred in connection with the maintenance of Company books and records, the preparation and dissemination of reports, tax returns or other information to the Members and the making of distributions to the Members; (j) expenses incurred in preparing and filing reports or other information with appropriate regulatory agencies; (k) expenses of insurance as required in

connection with the business of the Company; (l) costs incurred in connection with any litigation in which the Company may become involved, or any examination, investigation, or other proceedings conducted by any regulatory agency, including legal and accounting fees; (m) the actual costs of goods and materials used by or for the Company; (n) the costs of services that could be performed directly for the Company by independent parties such as legal, accounting, secretarial or clerical, reporting, transfer agent, data processing and duplicating services but which are in fact performed by the Members or their Affiliates, but not in excess of the amounts which the Company would otherwise be required to pay to independent parties for comparable services in the same geographic locale; (o) expenses of Company administration, accounting, documentation and reporting; (p) expenses of revising, amending, modifying or terminating this Agreement; and (q) all other costs and expenses incurred in connection with the Company's business, including travel to and from the Project that may be acquired by the Company.

(b) GIPLP or one of its Affiliates shall be entitled to brokerage fees upon a Capital Transaction in an amount equal to one (1.0%) if GIPLP or its Affiliate represent both parties in the Capital Transaction, otherwise GIPLP shall receive one and one-half (1.5%) percent of the transaction value.

ARTICLE VI

Transferability of Member Interests

Section 6.01 Assignability of Units. Without the prior written consent of the Manager, which may be withheld in its sole and absolute discretion, a Member may not (i) pledge, transfer or assign its Membership Interest in the Company, in whole or in part, to any person except as provided in Section 6.02 or (ii) substitute for itself as a Member any other Person. The Manager may require a Member seeking to transfer its Membership Interest to obtain, at such Member's cost, a legal opinion satisfactory to the Manager that such transfer does not, among other things, require registration under the Securities Act or the Investment Company Act, or subject the Company to other regulatory burdens. Additionally, GIPLP may not pledge, transfer or assign its Membership Interest in the Company, with or without the consent of Manager, to any Person other than an Affiliate until such time as the Membership Interest of the Preferred Members has been redeemed by the Company or transferred to a third party. GIPLP may pledge, transfer or assign its Membership Interest to an Affiliate of GIPLP with the prior consent of the Preferred Members, which consent will not be unreasonably withheld, conditioned, or delayed. The Manager does not generally expect to consent to pledges of Membership Interest. Any attempted pledge, transfer, assignment or substitution not made in accordance with this Section 6.01 shall be void.

Section 6.02 Permitted Assignees.

(a) Subject to compliance with Section 6.01, a purchaser, assignee or transferee of a Member's Membership Interest (each such Person, a "Permitted Assignee") shall have the right to become a Substitute Member only if the following conditions (in addition to those set forth in Section 6.01) are satisfied:

(i) A duly executed and acknowledged written instrument of assignment or document of transfer satisfactory in form and substance to the Manager shall have been filed with the Company;

(ii) The Member and the Permitted Assignee shall have executed and acknowledged such other instruments and documents and taken such other action as the Manager shall reasonably deem necessary or desirable to effect such substitution;

(iii) The Member or the Permitted Assignee shall have paid to the Company such amount of money as is sufficient to cover all costs, fees and expenses (including attorney's fees) incurred by or on behalf of the Company in connection with such substitution; and

(iv) The Manager shall have consented to such substitution.

In the event of the admission of a Permitted Assignee as a Substitute Member, all references herein to the Members shall be deemed to apply to such Substitute Member and such Substitute Member shall succeed to all rights and obligations of the transferor Member hereunder, including the Capital Account balance of such transferor.

(b) The Company shall, after the effective date of any assignment pursuant to the provisions of thisSection 6.02, pay all distributions on account of the Membership Interest so transferred to the Permitted Assignee. If any such distribution is made to the assignor it shall be treated as if paid to the Permitted Assignee for purposes of determining the Capital Account balance of the Permitted Assignee.

(c) Notwithstanding anything to the contrary, the Common Member may, upon written notice to the Manager, transfer any of its Membership Interests to an Affiliate of the Common Member.

(d) Any Member who assigns all of its Membership Interest in the Company shall, upon the effective date of such assignment, cease to be a Member for all purposes, except that no assignment of all or any portion of its Membership Interest in the Company shall relieve the assignor of its obligations under this Agreement, whether arising prior to or subsequent to such transfer.

Section 6.03 Limitation of Liability. For each Member, liability shall be limited as set forth in this Agreement, the Act, and other applicable law. A Member will not be personally liable for any debts or losses of the Company beyond its respective Capital Contribution; provided, however, that any Member who receives a distribution or the return in whole or in part of its Capital Contribution is liable to the Company only to the extent that such Member knew that such distribution violated the Act and then, only to the extent required by the Act.

ARTICLE VII

Termination of the Company

Section 7.01 Dissolution.

(a) The Company shall be dissolved upon the happening of any of the following events (each a "Dissolution Event"):

(i) the sale or disposition of all of the assets of the Company and the receipt of all consideration therefor;

(ii) the occurrence of any event which, as a matter of law, requires that the Company be dissolved; or

(iii) A determination by the Common Member after receiving prior, written consent from Preferred Members, to dissolve the Company.

(b) Dissolution of the Company shall be effective on the day on which the Dissolution Event occurs, but the Company shall not terminate until the Company's Certificate of Formation shall have been cancelled and the assets of the Company shall have been distributed as provided in Section 7.02 hereof. Notwithstanding the dissolution of the Company prior to the termination of the Company, as aforesaid, the business of the Company and the affairs of the Members, as such, shall continue to be governed by this Agreement.

(c) The Bankruptcy, insolvency, dissolution, death or adjudication of incompetency of a Member shall not cause the dissolution of the Company. In the event of the Bankruptcy, death or incompetency of a Member, its executors, administrators or personal representatives shall, subject to the Investment Company Act of 1940, as amended, and the requirements of Article VII hereof, have the same rights that such Member would have if it had not suffered the foregoing, and the interest of such Member in the Company shall, until the termination of the Company, be subject to the terms, provisions and conditions of this Agreement.

Section 7.02 Liquidation.

(a) Except as otherwise provided in this Agreement, upon dissolution of the Company, the Manager (or its designee) shall liquidate the assets of the Company, apply and distribute the proceeds thereof as contemplated by this Agreement and cause the cancellation of the Company's Certificate of Formation. As soon as possible after the dissolution of the Company, a full account of the assets and liabilities of the Company shall be taken and a statement shall be prepared setting forth the assets and liabilities of the Company. A copy of such statement shall be furnished to each of the Members within sixty (60) days after such dissolution. Thereafter, the assets shall be liquidated as promptly as possible and the proceeds thereof shall be applied in the following order:

(i) The expenses of liquidation and the debts of the Company, other than the debts owing to the Members, shall be paid from the proceeds of liquidation. Any reserves shall be established or continued which the Manager (or its designee) deems reasonably necessary for any liabilities to be satisfied in the future, for any contingent or unforeseen liabilities or obligations of the Company or for its liquidation. Such reserves shall be held by the Company for the payment of any of the aforementioned contingencies, and at the expiration of such period as the Manager shall deem advisable, the Company shall distribute the balance thereafter remaining in the manner provided in the following subsections;

(ii) Such debts as are owing to the Members, including unpaid expense accounts or advances made to or for the benefit of the Company, shall be paid; and

(iii) Then, to the Members pursuant to and as provided in Section 4.03.

(b) Upon dissolution of the Company, each of the Members shall look only to the assets of the Company for the return of his, her or its investment, and if the Company's assets remaining after payment and discharge of debts and liabilities of the Company, including any debts and liabilities owed to any one or more of the Members, are not sufficient to satisfy the rights of a Member, the Members shall have no recourse or further right or claim against the Company, the Manager or any other Member.

(c) If any assets of the Company are to be distributed in-kind, such assets shall be distributed to the Members in accordance with Section 4.01 as if the assets were sold based on the fair market value thereof, and any Member entitled to any interest in such assets shall receive such interest therein as a tenant-in-common with all other Members so entitled. The fair market value of such assets shall be determined by an independent appraiser to be selected by the Manager.

(d) No Priority. Each Member shall look solely to the assets of the Company of which such Member is a Member for the return of such Member's aggregate Capital Contributions in the Company and no Member shall have priority over any other Member as to the return of such Capital Contribution.

ARTICLE VIII

Reports to Members; Books and Records

Section 8.01 Independent Auditors. The Investments (including the TIC Interest) may, in the sole discretion of the Manager, be audited annually by an independent certified public accountant selected by the Manager in its sole discretion. Expenses incurred in connection of an audit of the Investments (including the TIC Interest) shall be borne by such Property.

Section 8.02 Reports to Members. The Company shall prepare and deliver to each Member (i) to the extent prepared at the request of the Manager, unaudited quarterly statements and in the Manager's sole discretion, an audited financial report of the Company prepared by the accountants selected by the Manager and (ii) quarterly statements of the Member's Capital Account. The Company shall prepare and deliver to the Members, on a monthly basis, the Company's unaudited balance sheet, profit and loss statement, cash flow statement and bank reconciliation (and/or bank statement).

Section 8.03 Tax Matters.

(a) Tax Returns and Supplemental Information. The Manager shall cause the Company to send to each Person who or that was a Member of the Company at any time during the fiscal year or other relevant period then ended, such tax information as shall be necessary for the preparation by such Member of his, her or its United States federal, state and local income tax returns. Unless and until the Manager shall determine that the Company should make an election to be, and/or to otherwise take such action that would result in the Company being, treated as a corporation for United States federal income tax purposes, the Company and the Members agree that the Company shall constitute, and be treated for all United States federal, state and local income tax purposes, as a partnership for United States federal, state and local income purposes.

(b) Partnership Representative.

(B) the Manager is hereby designated as the "partnership representative" of the Company for purposes and within the meaning of the New Partnership Audit Rules (the "Partnership Representative"). The Company and each Member shall take such actions as may be required to effect such designation. The Partnership Representative shall designate from time to time a "designated individual" to act on behalf of the Partnership Representative, and such designated individual shall be subject to replacement by the Partnership Representative in accordance with the Code and Treasury Regulations. To the extent that the Partnership Representative does not make an election to apply the alternative method provided by Section 6226 of the Code (or any analogous provision of state or local tax law), the Partnership Representative shall have the authority and discretion to determine the portion of any imputed underpayment (within the meaning of the New Partnership Audit Rules) allocable to each Member. Each Member agrees to provide any information reasonably requested by the Partnership Representative in order to determine whether any imputed underpayment (within the meaning of the New Partnership Audit Rules) may be modified in a manner consistent with the requirements of Code Section 6225(c), including any information that will enable the Partnership Representative to determine the portion of the imputed underpayment allocable to (A) a "tax-exempt entity" (as defined in Code Section 168(h)(2)), in the case of ordinary income, to a C corporation or, in the case of capital gain or qualified dividend income, to an individual. Each Member agrees that any payment by the Company of a partnership-level tax imposed with respect to the New Partnership Audit Rules shall be treated as paid with respect to such Member. Each Member shall promptly contribute the amount of its allocable share of any partnership-level tax upon request by the Manager and, to the extent a Member does not contribute such amount within 15 days after demand for payment thereof, the Company shall offset such amount against distributions to which such Member would otherwise be subsequently entitled pursuant to Section 4.02 and 4.03 (and such amounts shall be deemed distributed pursuant to those provisions). Each Member hereby agrees to indemnify and hold harmless the Company, the other Members, the Partnership Representative and the Manager from and against any liability (including any liability for partnership-level taxes imposed with respect to the New Partnership Audit Rules) with respect to income attributable to or distributions or other payment to such Member. Each Member agrees, upon the request of the Partnership Representative, to file an amended United States federal income tax return for the taxable year which includes the end of the taxable year to which an imputed underpayment relates and to pay on a timely basis any and all resulting taxes, additions to tax, penalties and interest due in connection with such tax return in accordance with Code Section 6225(c)(2).

(II) Notwithstanding anything in this Agreement to the contrary,(x) the Partnership Representative, in its sole discretion, may, and/or may cause the Company to, make or take (or not make or take) any election or other action that the Partnership Representative and/or the Company is permitted or required to make or take (or not make or take) under the New Partnership Audit Rules; and (y) each Member shall timely make or take (and/or cause to be timely made and taken) any and all actions and payments, and each Member shall timely prepare and file (and/or shall cause to be timely prepared and filed) any and all of its tax returns, consistent with and in compliance with the New Partnership Audit Rules and/or otherwise as the Partnership Representative shall determine to be consistent with and in compliance with the New Partnership Audit Rules and which the Partnership directs a Member to make, take or do.

(III) For the avoidance of doubt, any Person who ceases to be a Member shall be deemed to be a Member for purposes of this Section 8.03, and the obligations of a Member pursuant to this Section 8.03 shall survive indefinitely with respect to any taxes withheld or paid by the Company that relate to the period during which such Person was actually a Member, regardless of whether such taxes are assessed, withheld or otherwise paid during such period.

Section 8.04 Books and Records. The Company shall maintain the Company's books and records at the principal office of the Company, or such other place as designated by the Manager in its sole discretion. The books and records of the Company shall be available for examination by any Member, or its duly authorized representatives, during normal business hours upon reasonable request of a Member. The Company may provide such financial or other statements as the Manager in its sole discretion deems advisable.

Section 8.05 Information from Members. Each Member agrees to provide, upon the reasonable request of the Manager, any and all information necessary to comply with laws applicable to the Company.

Section 8.06 Assets and Liabilities. The assets and liabilities of the Company shall be determined based upon generally accepted accounting principles or as the Manager shall otherwise reasonably determine.

Section 8.07 Valuation. Whenever the Fair Value of property is required to be determined under this Agreement, such Fair Value shall be determined by the Manager, in good faith, based upon available relevant information. It shall be reasonable for the Manager to value the Company's assets for which market quotations are readily available based upon such market quotations. With respect to assets that are not readily marketable, the Manager will determine the Fair Value of such assets, in its sole discretion, in good faith, which may include retaining a third-party valuation firm to appraise such assets. The Manager shall also have discretion to assess Investments and to assign values as it believes are reasonable, and to adjust valuations based on hedging activities undertaken by the Company. The Manager shall have the discretion to use other valuation methods that it determines, in its sole discretion, are fair and reasonable.

ARTICLE IX

Miscellaneous

Section 9.01 General. This Agreement (i) shall be binding on the executors, administrators, estates, heirs, and legal successors and representatives of the Members and the Manager, and (ii) may be executed, through the use of separate signature pages or supplemental agreements in any number of counterparts with the same effect as if the parties executing such counterparts had all executed one counterpart. A facsimile or electronic signature page to this Agreement shall for all purposes be treated as an original signature page.

Section 9.02 Power of Attorney.

(a) Each Member does hereby constitute and appoint the Manager as its true and lawful representative and attorney in fact, in its name, place and stead to make, execute, sign and file: (i) any amendment to the Certificate required because of an amendment to this Agreement or in order to effectuate any change in the membership of the Company; (ii) any amendments to this Agreement in accordance with Section 9.03; (iii) all such other instruments, documents and certificates which may from time to time be required by the laws of the State of Delaware to effectuate, implement and continue the valid and subsisting existence of the Company or to dissolve the Company; (iv) any pledge of such Member's Capital Commitment and its Membership Interest in the Company to secure any borrowings by the Company; (v) any instruments, documents and certificates the Manager determines are necessary or desirable to cause the sale, transfer or other disposition of the Member's Membership Interest to another Member or any other Person or forfeiture of such Membership Interest; (vi) any and all instruments, documents and certificates the Manager determines are necessary or desirable to accomplish any of the foregoing; and (vii) any business certificate, fictitious name certificate, amendment thereto or other instrument or document of any kind necessary or desirable to accomplish the business, purpose and objectives of the Company, or required by any applicable United States federal, state or local law. Additionally, each Member agrees to reasonably cooperate with the Company in providing all documentation required by lenders in connection with borrowings or indebtedness of the Company.

(b) The power of attorney hereby granted by each of the Members is coupled with an interest, is irrevocable, and shall survive, and shall not be affected by, the subsequent death, disability, incapacity, incompetency, termination, bankruptcy, insolvency or dissolution of such Member; provided, however, that such power of attorney will terminate upon the substitution of another Member for all of such Member's Membership Interest in the Company or upon the complete withdrawal of such Member from participation in the Company.

Section 9.03 Amendments to Agreement.

(a) Amendments to this Agreement may be made with the consent and approval of all Members and the consent and approval of the Manager, which consent and approval may be withheld by the Manager in its sole and absolute discretion; provided, however, that no such consent or approval of the Members of the Company shall be required in connection with (i) amendments to this Agreement which are of a clerical or inconsequential nature, including but not limited to, a change in the name of the Company, or which may be required to comply with the Act or the terms of this Agreement, and which do not adversely affect the Members in any material respect, (ii) amendments to this Agreement which are required or contemplated by this Agreement, including, without limitation, amendments necessary to reflect the admission, substitution or withdrawal of a Member or the issuance of additional Membership Interest, (iii) amendments to this Agreement which are required by the REIT Rules, including, without limitation any applicable sections of this Agreement, (iv) amendments to this Agreement to change the name of the registered agent, the address of the registered office or the address of the office at which the Company records are kept, or (v) amendments to this Agreement which are necessary or appropriate to permit the Manager to take any action which the Manager has the authority to take pursuant to this Agreement. Notwithstanding the foregoing provisions of this Section 9.03, no amendment without the consent of each Member who will be materially, adversely affected shall: (w) amend thisSection 9.03; (x) change the rights and interests of any Member in the Net Profit of the Company; or (y) directly or indirectly affect or jeopardize the status of the Company as a partnership for federal income tax purposes. Amendments of this Agreement that have received any required consent or approval of the Members pursuant to this Section 9.03 may be executed by the Manager through the exercise of the power of attorney granted the Manager bySection 9.02 of this Agreement.

Section 9.04 Choice of Law; Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws principles thereof. Any disputes arising out of this Agreement or otherwise in relation to the Company shall be adjudicated exclusively in the federal and state courts sitting in Hillsborough County, Florida, with appeal rights to the appropriate appellate courts.

Section 9.05 Approvals by Members. Written approvals by Members may be given in lieu of a meeting of Members. A written approval may be in one or more instruments (including email), each of which may be signed by one or more Members. A written approval need not be signed by all Members if the matter being approved requires fewer than all Members to approve it. No notice need be given of action proposed to be taken by written action, or an approval given by written action, unless specifically required by this Agreement or the Act.

Section 9.06 Notices. Any notice, payment, demand or communication required or permitted to be given pursuant to any provision of this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent by postage prepaid, registered mail, return receipt requested, (iii) transmitted by fax or e-mail, or (iv) delivered by nationally/internationally recognized overnight courier, to the corresponding address as it appears inSchedule A, or to such other address as a Person may from time to time specify by notice to the Members. Any such notice, payment, demand, or communication shall be deemed to be delivered, given and received for all purposes hereof (x) on the date of receipt if delivered personally or by courier, (y) three (3) business days after posting if transmitted by mail return receipt requested, or (z) the date of transmission by fax or e-mail, provided that the Person to whom the fax or e- mail was sent acknowledges that such fax or e-mail was received by such Person in completely legible form, or that such Person responds to the fax or e-mail without indicating that any part of it was received in illegible form, whichever shall first occur.

Section 9.07 Use of Name. The name of the Company shall belong solely to the Manager.

Section 9.08 Headings. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision of this Agreement.

Section 9.09 Construction of Terms. Unless the context otherwise requires, the singular shall be deemed to include the plural and the plural shall be deemed to include the singular and masculine, feminine and neutral shall each be deemed to include the others.

Section 9.10 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement. It is the intent of the parties hereto for the terms and conditions of this Agreement to be interpreted to the greatest extent possible so as to remain valid and enforceable, and any provision or term of this Agreement found by a court to be invalid, void or unenforceable shall be rewritten by the court pursuant to this intent.

Section 9.11 Further Action. Each Member, upon the request of the Manager, agrees to perform all further acts and execute, acknowledge, and deliver any document that may be reasonably necessary to carry out the provisions of this Agreement.

Section 9.12 Entire Agreement. This Agreement and all exhibits and appendices hereto, constitute (for the respective Members that are parties thereto or bound thereby) the entire agreement among the Members with respect to the subject matter hereof and supersede any prior agreement or understanding among them with respect to such subject matter. The representations and warranties of the Members in, and the other provisions of the Agreement, and the obligations of the Members pursuant to Sections 5.03, 5.04, 5.07(ii), and 9.02 of this Agreement shall survive the termination of this Agreement and the termination, dissolution and winding up of the Company.

Section 9.13 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY MATTER ARISING HEREUNDER. THIS WAIVER APPLIES TO ANY PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

Section 9.14 Tax Elections. The Manager may, in its sole discretion, cause the Company to make or revoke any tax election that the Manager deems appropriate, including an election pursuant to Section 754 of the Code.

Section 9.15 Member Tax Basis. Upon request of the Manager, each Member agrees to provide to the Manager information regarding its adjusted tax basis in its Membership Interests along with documentation substantiating such amount.

Section 9.16 Execution of Additional Instruments. Each party hereto hereby agrees to execute such other and further statements of interests and holdings, designations and other instruments necessary to comply with any laws, rules or regulations.

ARTICLE X

Special Covenants

Section 10.01 Preferred Member Redemption. (a) On the Redemption Date, or at any time after the Redemption Date, the Preferred Members shall jointly have a right to require that the Company redeem (the "Redemption") all, but not less than all, of their total Membership Interest (the "Redeemed Membership Interest") for the payment of the Redemption Price by giving written notice ("Redemption Notice") to the Manager expressly setting forth its desire to have its entire Membership Interest redeemed in accordance with the provisions of this Section 10.01. Upon such delivery of such Redemption Notice, the remaining provisions of this Section 10.01 shall apply.

(b) The closing of the Redemption shall occur on the business day determined by the Manager but that is no later than 120 days (the "Redemption Closing Period") following the date of delivery of the Redemption Notice pursuant to Section 10.01(a) and shall be consummated by the Company and the Preferred Members each having duly executed and dated the Redemption Agreement substantially in the form attached hereto as Exhibit B and delivering such executed and dated Redemption Agreement to the other of them, and with the Company contemporaneously remitting to each Preferred Member, by wire transfer to the account designated by such Preferred Member in a writing executed and dated by such Preferred Member or by bank or certified check, an amount equal to such Preferred Member's pro rata portion of the Redemption Price. Each Preferred Member shall continue to be entitled to receive distributions of the Preferred Return until the closing of the Redemption occurs. Except as provided in Section 10.01(c), if the Company should fail to close on the Redemption by the Redemption Closing Period, and which failure was not due to any breach, act or omission on the part of either Preferred Member, then the Manager shall then be required to cause the Company to proceed to sell the Property or TIC Interest with such sale process to be undertaken in the same manner as would be the case if the Company were to proceed with the sale of the Property or TIC Interest without regard to Section 10.01. The consent of each Preferred Member shall be required for any sale of the Property or TIC Interest conducted pursuant to this Section if the net proceeds of the proposed sale will be insufficient to pay the Preferred Members the full Redemption Price. The Members hereby expressly acknowledge and agree that the Company may seek to acquire the funds to pay the Redemption Price through, by and/or from such legal means and sources – including, without limitation, from financing, re-financing or other borrowing (and even one requiring the mortgaging or encumbering of the Property) and on such terms and conditions that the Manager shall determine; the accepting of one or more Capital Contributions from any one or more Person(s) (including GIPLP and/or one or more of its Affiliates) and on such terms and conditions that the Manager shall determine and the admission of such Person(s) as a member of the Company.

(c) At any time during the Redemption Closing Period, GIPLP shall have the option to, and/or to have any one or more of its Affiliates to (individually or collectively, the "GIPLP Purchaser") purchase (the "Membership Interest Purchase") the Redeemed Membership Interest (and/or any portions thereof from one or both of the Preferred Members) for a total price equal to the Redemption Price (or such pro rata portion thereof), by giving written notice to the Company and the Preferred Members that it desires to purchase such Redeemed Membership Interest directly from the Preferred Member(s) for the Redemption Price pursuant to

the Membership Interest Purchase Agreement which is substantially in the form attached hereto as Exhibit C and the day on which the Membership Interest Purchase shall occur (which day shall not be later than the end of the Redemption Closing Period) (the "Purchase Closing Day"), in which case the GIPLP Purchaser and each Preferred Member shall close on the purchase of such Redeemed Membership Interest by each of them duly executing and dating such Membership Interest Purchase Agreement and delivering such executed and dated Membership Interest Purchase Agreement to the other(s) of them, and with the GIPLP Purchaser contemporaneously remitting to each Preferred Member, by wire transfer to the account designated by such Preferred Member in a writing executed and dated by such Preferred Member, an amount equal to such Preferred Member's pro rata portion of the Redemption Price. If the GIPLP Purchaser should fail to close on the Membership Interest Purchase before the end of the Redemption Closing Period, and which failure was not due to any breach, act or omission on the part of either Preferred Member, then the Manager shall then be required to cause the Company to proceed to sell the Property or TIC Interest with such sale process to be undertaken in the same manner as would be the case if the Company were to proceed with the sale of the Property or TIC Interest without regard to Section 10.01.

(d) Each Preferred Member shall have an option to receive, all or a portion thereof, of such Preferred Member's pro rata portion of the Redemption Price in the form of units in Generation Income Properties, L.P. ("GIPLP UNITS"). Such GIPLP UNITS shall be subject to all such restrictions, such as with respect to transferability, as reasonably imposed by GIPLP.

(i) The number of GIPLP UNITS issued to the Preferred Members shall be determined by dividing the amount of the Redemption Price that such Preferred Member shall receive in GIPLP UNITS by a 15% discount of the average 30-day market price of Generation Income Properties, Inc. (e.g. if the market stock price is $10 a share, the number of units shall be converted based on $8.50 a share).

(ii) GIPLP Units shall then be convertible into common stock of Generation Income Properties, Inc. on a 1:1 basis in accordance to the Partnership Agreement of Generation Income Properties, L.P.

Section 10.02 Call Option. At any time after the Redemption Date, the Company may, at its election, require the Preferred Members or any holder of the Class A Preferred Units to sell to the Company all or any portion of such Units for the Redemption Price. Each Preferred Member shall take all actions as may be reasonably necessary to consummate the sale contemplated by this Section, including, without limitation, entering into agreements and delivering certificates and instruments and consents as may be deemed necessary or appropriate. Each Preferred Member may, at the discretion of such Preferred Member, as applicable, have an option to receive, all or a portion thereof, of such Preferred Member's pro rata share of the Redemption Price in the form of GIPLP UNITS. Such GIPLP UNITS shall be subject to all such restrictions, such as with respect to transferability, as reasonably imposed by GIPLP. The number of GIPLP UNITS issued to any Preferred Member shall be determined by dividing the total amount of the Redemption Price that such Preferred Member shall receive in GIPLP UNITS by a 15% discount of the average 30-day market price of Generation Income Properties, Inc. (e.g. if the market stock price is $10 a share, the number of units shall be converted based on $8.50 a share). Units shall then be convertible into common stock of Generation Income Properties, Inc. on a 1:1 basis in accordance to the Partnership Agreement of Generation Income Properties, L.P.

Section 10.03 Tri-Party Agreement. Upon the Closing, each Preferred Member, GIPLP, and the Debt Provider shall enter into aTri-Party Agreement. Subject to the terms of the Tri-Party Agreement, if the Debt Provider declares a default under the Loan and the Manager is unable to cure the default within sixty (60) days, the Preferred Members shall have the right, but not the obligation, to replace GIPLP as Manager of the Company; provided, however, (i) upon the Preferred Members replacing GIPLP as Manager, the Preferred Members shall be required to assume all third-party guarantees by GIPREIT and David Sobelman in connection to the Loan, and subject to the Debt Provider's consent, will replace GIPREIT and David Sobelman as guarantors of the Loan, (ii) any removal of GIPLP as the Manager, provided for in this Section 10.03 shall have no effect or impact on GIPLP's Membership Interest or rights as a Member under this Agreement; (iii) GIPLP's Membership Interest in the Company shall be unaffected, and (iv) the Company shall continue to operate subject to the REIT provisions herein.

Section 10.03 Preferred Members' Limited Right to Take Over as Manager. In the event of Manager's (1) material breach of its obligations under Section 5.01(e) of this Agreement which is not cured within 60 days of Preferred Members' written notice to the Manager; or (2) failure to pay Preferred Members the Preferred Return within 60 days of the legally allowable applicable payment of the Preferred Return, Preferred Members, in addition to any remedies they may have at law or in equity, shall have the right, but not the obligation, to replace GIPLP as Manager of the Company; provided, however, (i) any removal of GIPLP as the Manager provided for in this Section 10.03 shall have no effect or impact on GIPLP's Membership Interest or rights as a Member under this Agreement; (ii) GIPLP's Membership Interest in the Company shall be unaffected; and (iii) the Company shall continue to operate subject to the REIT Rules in this Agreement.

[*The remainder of this page is intentionally blank.*]

IN WITNESS WHEREOF, the undersigned hereto have caused this Limited Liability Company Agreement to be executed as of the date first set forth above.

MANAGER:
Generation Income Properties, L.P.

By: David Sobelman
Authorized Representative

COMMON MEMBER:
Generation Income Properties, L.P.

By: David Sobelman
Authorized Representative

PREFERRED MEMBER:

/s/ Richard N. Hornstrom
Richard N. Hornstrom

Schedule A

UNIT REGISTER

As of _____ __, 2021*

Member Name	Member Status	Number of Outstanding Units	Class and Type of Unit	Adjusted Capital Contribution	Common Unit Percentage
Richard N. Hornstrom	Preferred Member	650	Class A Preferred	$650,000.00	N/A
Generation Income Properties, L.P. 401 East Jackson Street, Suite 3300, Tampa, FL 33602	Common Member	500	Class A Common	$ 50,000.00	100%
Total Capitalization				**$700,000.00**	**100.00%**

***SUBJECT TO FINAL DETERMINATION / ADJUSTMENT ON OR BEFORE CLOSING OF THE PROPERTY**

Exhibit A

Glossary of Terms

"Act" means the Delaware Limited Liability Company Act and any successor statute, as amended from time to time.

"Adjusted Capital Account Deficit" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal year or other period, after giving effect to the following adjustments:

(i) credit to such Capital Account any amounts which a Member is obligated to restore or is deemed to be obligated to restore pursuant to the penultimate sentence of Treasury Regulations Sections 1.704-2(g)(1) and (i)(5); and

(ii) debit to such Capital Account the items described in Treasury Regulations Sections1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Adjusted Capital Contribution" shall mean the sum of all Capital Contributions made by the Preferred Members plus the Unpaid Preferred Return, if any, calculated as of the Redemption closing date.

"Affiliate" of any specified Person means any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Person specified. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Capital Account" has the meaning set forth inSection 2.03(a) of the Agreement.

"Capital Commitment" means, with respect to any Member at any time, the amount specified as such Member's capital commitment in the books and records of the Company.

"Capital Contribution" means, with respect to any Member, the amount of cash and the fair market value of anynon-cash property contributed by such Member to the Company pursuant to and in accordance with this Agreement.

"Capital Transaction" shall mean the sale, transfer, exchange or other disposition of: (a) all or substantially all of the assets of the Company; and (b) any asset of the Company undertaken in connection, and/or contemporaneously, with the dissolution and liquidation of the Company.

"Code" means the Internal Revenue Code of 1986 and any successor statute, as amended from time to time.

"Common Member" means Generation Income Properties, L.P.

"Closing" means the date of the closing of the TIC Interest in the Property to the Company.

"Credit Facility" means each loan agreement, credit facility, term loan, match funded loan, repurchase agreement, and other instruments pursuant to which the Company obtains financing.

"Debt Provider" means American Momentum Bank.

"Default" means any failure of a Member to make all or a portion of any required Capital Contribution on the applicable due date.

"Distributable Capital Transaction Proceeds" means the amount of proceeds, receipts and other amounts, and anynon-cash property, received by the Company for, from and/or in respect of a Capital Transaction after paying or providing and/or setting aside reasonable reserves for the payment of any and all current or future expenses, taxes, debts, liabilities and other obligations, all as the Manager shall determine.

"Distributable Operating Funds" means the amount of cash receipts, proceeds and other amounts that the Company receives (but not including Capital Contributions) and that the Manager determines is available for distribution by the Company after paying or providing and/or setting aside reasonable reserves for the payment of current any and all expenses, taxes, debts, liabilities and other obligations, as well as for any permitted future investments, capital expenditures and other Company purposes, all as the Manager shall determine; provided, however, "Distributable Operating Funds" shall not reflect or include any proceeds, receipts and other amounts, nor any non-cash property nor any other amounts that are reflected and/or included in the determination and calculation of Distributable Capital Transaction Proceeds.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Member" means any Member that is a "benefit plan investor" within the meaning of Section 3(42) of ERISA and has notified the Manager in writing of such status.

"Fair Value" means the valuation of the TIC Interest and/or other assets of the Company by the Manager in good faith.

"GIPREIT" means Generation Income Properties, Inc.

"Gross Asset Values" means, with respect to any asset, the asset's adjusted basis for United States federal income tax purposes, except as follows:

(a) the Gross Asset Value of any asset contributed by a Member to the Company is the gross fair market value of such asset as determined by the Manager at the time of contribution; and

(b) the Gross Asset Value of all Company assets may be adjusted to equal their respective gross fair market values, as determined by the Manager, as of the following times: (i) the acquisition of any additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by a the Company to the Member of more than a de minimis amount of property as consideration for an interest in the Company; (iii) the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a Member capacity, or by a new Member acting in a Member capacity or in anticipation of becoming a Member; and (iv) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that the adjustments pursuant to clauses (i), (ii) and (iii) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

"Initial Capital Contribution" shall be calculated as the Purchase Price minus the Loan minus the TIC Investment.

"Investments" means any real estate assets of the Company.

"Internal Rate of Return" or "IRR" shall mean as to any Member and as the Manager shall determine (or cause to be determined) a rate of return as of the end of a given time period (expressed as a percentage and rounded down to the nearest whole percent) which causes (1) the net present value (determined as of the first day of such time period) of the Outflows (defined below) to be equal to (2) the net present value (determined as of the first day of such time period) of the Inflows (defined below) where:

(a) "Outflows" shall mean all Capital Contributions made by the Member to the Company; and

(b) "Inflows" shall mean all distributions actually made by the Company to the Member.

For purposes of calculating Internal Rate of Return, all Outflows shall be deemed to have been made or paid on the dates such payments or contributions were actually made and all Inflows shall be deemed to have been made or paid, as applicable, on the last day of the month made or paid.

The Internal Rate of Return shall be calculated on an annual basis and compounded annually. (For purposes of clarification, the intended goal of the foregoing is to establish an effective annual rate, but not to divide a target annual rate by 12 and compound so as to achieve a higher annual rate.)

"Loan" means the amount of $[2,715,000] provided by the Debt Provider.

"Material Adverse Effect" means (a) a violation of any law, regulation, license, permit or other similar approval that is reasonably likely to have a material adverse effect on the Company, any Member, including the Manager, or any Affiliate of the foregoing Persons; (b) an occurrence which is reasonably likely to subject the Company, any Member, including the Manager, or any Affiliate of the foregoing Persons to any material regulatory or tax requirement to which it would not otherwise be subject and that has an adverse material affect, or that is reasonably likely to materially increase any such regulatory or tax requirement beyond what it would otherwise have been; or (c) an occurrence that is reasonably likely to result in any Investments to be deemed to be "plan assets" for purposes of ERISA or that is reasonably likely to give rise to a "prohibited transaction" under ERISA.

"Membership Interest" means all of a Member's rights in the Company, including without limitation, to the extent provided in this Agreement or under any law (as superseded by this Agreement, where possible) his or its (i) share of the Net Profits and Net Losses of the Company, and (ii) right to receive distributions of the Company's assets, together with the right, if any, (x) to vote on matters relating to the Company and (y) to participate in the management of the Company's affairs.

"Net Asset Value" of the Company means the Company's total assets minus its total liabilities.

"Net Profit" and "Net Loss" means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such fiscal year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss) with the following adjustments:

(a) Any income of the Company that is exempt from United States federal income tax, and to the extent not otherwise taken into account in computing Net Profit or Net Loss pursuant to this paragraph, shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Section 1.704-1(b)(2)(iv)(i) of the Treasury Regulations, and to the extent not otherwise taken into account in computing Net Profit or Net Loss pursuant to this paragraph, shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subdivisions (b) or (c) of the definition of "Gross Asset Value" herein, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Profit or Net Loss;

(d) Gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for United States federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value; and

(e) In lieu of depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account the book depreciation for such fiscal year as determined under the principles of Code Section 704(b) and the Treasury Regulations thereunder.

"New Partnership Audit Rules" shall mean the provisions of subchapter C of chapter 63 of subtitle F of the Code (i.e., Sections 6221 through 6241 of the Code), as in effect for tax years beginning after December 31, 2017, and any Treasury Regulations promulgated thereunder.

"Percentage Interest" means, with respect to any Member, the percentage determined by dividing such Member's aggregate Capital Contributions made to the Company by the aggregate Capital Contributions made to the Company by all Members.

"Person" means any natural person, partnership, limited liability company, corporation, joint venture, trust, estate, association, foundation, fund, governmental unit or other entity.

"Preferred Return" means, with respect to the Preferred Members, an eight percent (8%) annual return on the Preferred Members' Unreturned Capital Contributions, to be paid monthly to the Preferred Members in the form of cash.

"Property" means the real estate asset located at 525 S. Perryville Road, Rockford, Illinois 61108.

"Purchase Price" means the total amount of $4,525,000 paid by for the Property plus fees and expenses.

"Redemption Date" means the date that is the second (2nd) year anniversary of the Closing.

"Redemption Price" means an amount equal to the Adjusted Capital Contribution of the Preferred Members provided that the Redemption Price shall not be lower than the amount needed to cause the aggregate distributions made to the Preferred Members pursuant to Section 4.02 and 4.03 to achieve a 12% IRR on the Preferred Members' Initial Capital Contribution

"Securities Act" means the Securities Act of 1933, as amended.

"Substitute Member" means any purchaser, assignee, transferee or other recipient of all or any portion of any Member's Interest who is admitted as a Member to the Company in accordance with Article VI.

"TIC Investment" means $1,200,000.

"Treasury Regulations" means the regulations promulgated under the Code, as amended from time to time.

"Unpaid Preferred Return", with respect to the Preferred Members, means the then accrued Preferred Return of the Preferred Members reduced by the aggregate distributions made to the Preferred Members pursuant to Sections 4.02(a) and 4.03(a).

"Unreturned Capital Contributions" means, with respect to the Preferred Members or Common Member, the aggregate Capital Contributions made by the Preferred Members or Common Member to the Company reduced by the aggregate distributions made to the Preferred Members pursuant to Section 4.03(b) or the Common Member pursuant to Section 4.02(b) and 4.03(b).

Exhibit B

Form of Redemption Agreement

REDEMPTION AGREEMENT

GIPIL 525 S PERRYVILLE RD, LLC

THIS REDEMPTION AGREEMENT (this **"Agreement"**) by and between GIPIL 525 S PERRYVILLE RD, LLC, a Delaware limited liability company (the **"Company"**), _____ (the **"Redeemed Member"**). Unless otherwise defined herein, any capitalized term referred to herein shall have the meaning ascribed to such term in that Limited Liability Company Agreement of the Company entered into _____ ___, 2021 (the **"JV Agreement"**).

WHEREAS, the Redeemed Member has made the election, pursuant to Section 10.01(a) of the JV Agreement, for the Company to redeem its entire Membership Interest for an amount equal to Redeemed Member's pro rata portion of the Redemption Price and pursuant and subject to the terms and provisions of Section 10.01 of the JV Agreement; and

WHEREAS, the Redeemed Member is entering into this Agreement to undertake and consummate the Redemption on the terms and provisions provided for herein and in Section 10.01 and elsewhere of the JV Agreement.

NOW, THEREFORE, for and in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Redeemed Member and the Company agree as follows:

Section 1. The Redemption; Distribution of Redemption Price. Upon the Redemption by the Redeemed Member, the Company shall distribute to the Redeemed Member an amount equal to Redeemed Member's pro rata portion of the Redemption Price (the **"Redemption Distribution Amount"**) in cash, and/or as applicable, units of Generation Income Properties L.P., as provided and determined in and under Section 10.01 of the JV Agreement (including, as regard to the type and amount of such units, as determined and provided in Section 10.01(e) of the JV Agreement), in complete redemption and liquidation of, and in exchange for, the Redeemed Member's entire Membership Interest (and, thus, the Redeemed Member's entire membership and beneficial ownership interest in and to the Company) which the Redeemed Member shall deliver to the Company free and clear of any and all liens, claims and encumbrances. The Redeemed Member hereby acknowledges and agrees that upon its receipt of the Redemption Distribution Amount, the Redeemed Member shall not, and no longer, have any right, title, interest, entitlement or claim in or to any distributions, fees, profits, income, gains, payments, reimbursements, compensation, salary or other amounts or otherwise any of the assets, property and rights from, of and/or held or owned directly or indirectly by the Company or any direct or indirect subsidiary or affiliate of the Company and, further, the Redeemed Member shall no longer have any powers or rights (including, without limitation, any consent, approval, management, enforcement, termination, removal or control right or power or any right or power to propose or approve any amendment) under, to or with respect to the Company or the JV Agreement.

Section 2. Intentionally Blank.

Section 3. Representations and Warranties of Redeemed Member. The Redeemed Member hereby represents and warrants to the Company and GIPLP that as of the date hereof and through and including the closing of the Redemption, as follows:

3.1 Authority and Enforceability. The Redeemed Member has full power and authority to execute, deliver and perform this Agreement and the transactions contemplated hereby and has validly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding agreement of the Redeemed Member, enforceable in accordance with its terms, except as such enforcement may be limited by general principles of equity or by bankruptcy, insolvency or other similar laws affecting creditors' rights generally. No consent, approval or other action by any governmental authority is required in connection with the execution, delivery and performance by the Redeemed Member of this Agreement.

3.2 Existence and Good Standing. The Redeemed Member is a limited liability company duly organized, validly existing and in good standing under the laws of the state of its organization and has full limited liability company power and authority under its organizational documents to own its property and to carry on its business as is now being conducted.

3.3 Limited Liability Company Interests. The Redeemed Member owns its Membership Interest free and clear of any and all liens, claims and encumbrances.

3.4 No Insolvency; Bankruptcy; Dissolution/Liquidation. (a) The Redeemed Member has not made (and does not anticipate having to make) any voluntary assignment or proposal under applicable laws relating to insolvency and bankruptcy; (b) no bankruptcy petition has been filed or presented against the Redeemed Member and the Redeemed Member is not otherwise subject to any bankruptcy, insolvency or similar type of proceeding or action (and the Redeemed Member does not currently anticipate any such petition being filed or presented against it or otherwise becoming subject to any such proceeding or action); and (c) no order has been made or a resolution passed for the winding-up, dissolution or liquidation of the Redeemed Member (and the Redeemed Member does not currently anticipate that any such order or resolution shall be made or passed).

3.5 No Event of Default Under JV Agreement or other agreement. The Redeemed Member has not breached, and/or is not in default under, the JV Agreement or any other agreement or arrangement to which it is subject or a party and that no distribution, fee, reimbursement or other amount is owed or payable to the Redeemed Member under the JV Agreement and/or otherwise by the Company or any direct or indirect subsidiary or affiliate of the Company.

Section 4. Deliveries.

4.1 Documents to be executed and deliveries to be made by theRedeemed Member in connection with Redemption. As a condition to the undertaking and consummation of the Redemption, the Redeemed Member, and unless waived by the Company (by the Manager, and only the Manager, acting for the Company) in its sole discretion, the Redeemed Member shall deliver to the Company:

(a) this Agreement fully and duly executed and dated by the Redeemed Member;

(b) a fully and duly executed affidavit complying with the provisions of Section 1445(b)(2) of the Internal Revenue Code and reasonably acceptable to the Company certifying that the Redeemed Member is not a foreign person;

(c) certified copies of resolutions authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby; and

(d) such other and additional certificates, agreements and documents as the Company shall reasonably request.

4.2 Documents to be executed and deliveries to be made by theCompany in connection with Redemption. As a condition to the undertaking and consummation of the Redemption, the Company, and unless waived by the Redeemed Member in its sole discretion, the Company shall deliver to the Redeemed Member this Agreement fully and duly executed and dated by the Company.

Section 5. Indemnification.

5.1 Indemnification Obligations. From and after the Redemption, the Redeemed Member shall indemnify, defend and hold the Company and GIPLP harmless from and against any and all costs, losses and damages incurred by any of them, arising out of, or in connection with, the following: (a) any misrepresentation or breach of any warranty made by the Redeemed Member in this Agreement or any certificate, agreement, instrument or document delivered pursuant hereto; or (b) any breach by the Redeemed Member of any covenant, agreement or obligation, which is contained in this Agreement or any certificate, agreement, instrument or document delivered by the Redeemed Member pursuant hereto.

5.2 Survival of Obligations. The obligations of the Redeemed Member to indemnify, defend and hold harmless pursuant to this Section 5 shall survive execution of this Agreement and the consummation of the transactions contemplated hereby.

Section 6. Remedies. Except as otherwise provided herein, the rights and remedies expressly provided herein are cumulative and not exclusive of any rights or remedies which a party hereto may otherwise have at law or in equity. Nothing herein shall be construed to require any party hereto to elect among remedies.

Section 7. Survival of Representations, Warranties and Covenants. The representations, warranties and covenants of the parties contained in this Agreement or in any certificate or statement delivered pursuant hereto shall survive the consummation and closing of the Redemption and the other transactions contemplated hereby.

Section 8. Tax. The tax implications and consequences of the Redemption shall be as provided in the JV Agreement and applicable tax law.

Section 9. Miscellaneous.

9.1 Notice. Any notice, payment, demand or communication required or permitted to be given pursuant to any provision of this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent by postage prepaid, registered mail, return receipt requested, (iii) transmitted by fax or e-mail, or (iv) delivered by nationally/internationally recognized overnight courier, to the corresponding address as it appears in Schedule A of the JV Agreement, or to such other address as a Person may from time to time specify by notice to the Members.

9.2 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be in full force and effect and enforceable in accordance with its terms.

9.3 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

9.4 Divisions and Headings. The divisions of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect whatsoever in construing the provisions of this Agreement.

9.5 Entire Agreement/Amendment/Counterparts. This Agreement supersedes all previous contracts, and constitutes the entire agreement of whatsoever kind or nature existing between or among the parties respecting the subject matter hereof and no party hereto shall be entitled to other benefits than those specified herein, other than the JV Agreement and the provisions thereof (including, without limitation, the provisions of Section 10.01). All prior representations or agreements, whether written or verbal, not expressly incorporated herein, are superseded, and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all parties hereto. In entering into this Agreement, no party is relying on any statement, representation, warranty or agreement except for the statements, representations, warranties and agreements expressly set forth in this Agreement. This Agreement may be executed in two or more counterparts, including facsimile or pdf counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

9.6 Intentionally Blank

9.7 Waiver of Breach. The waiver by any party hereto of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof.

9.8 Choice of Law; Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws principles thereof. Any disputes arising out of this Agreement or otherwise in relation to the Company shall be adjudicated exclusively in the federal and state courts sitting in Hillsborough County, Florida, with appeal rights to the appropriate appellate courts. Each party hereto hereby agrees that service of process in any such proceeding may be made by giving notice by certified mail to such party at the place set forth in Section 9.1 herein.

9.9 Intentionally Blank.

9.10 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the respective successors and assigns of the parties.

9.11 Exclusivity. This Agreement is for the exclusive benefit of the parties and their respective permitted successors and assigns hereunder and that nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any right, remedies, obligations or liabilities under or by reason of this Agreement, except as may expressly be provided in this Agreement (including GIPLP as regard to the representations and warranties made to it pursuant to Section 3 hereof and the provisions of Section 5 hereof).

9.12 Assignment. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof may be assigned or delegated by any party to this Agreement without the prior written consent of the other party to this Agreement, which consent may be withheld by such other party in its sole and absolute discretion.

9.13 Rule of Construction. This Agreement shall be interpreted without regard to any presumption or rule requiring construction against the party causing this Agreement to be drafted.

9.14 Further Assurances. Each party shall execute and deliver such further instruments and do such further acts and things as may reasonably be required to carry out the intent and purposes of this Agreement promptly upon reasonable request from any other party.

9.15 Provisions of this Agreement and JV Agreement. For the avoidance of doubt, each party hereto hereby acknowledges and agrees that the provisions of this Agreement and Section 10.01 of the JV Agreement shall be interpreted and read together and applied in a manner that the Manager reasonably determines would give effect to all of such provisions, with neither this Agreement nor the JV Agreement having priority over the other.

[*The remainder of this page is intentionally blank.*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth below.

COMPANY:

GIPIL 525 S PERRYVILLE RD, LLC

By: Generation Income Properties, L.P., its Manager

By: _____
Name: David Sobelman
Title: President
Date: _____ ___, 2021

REDEEMED MEMBER:

_____

Date:_____

Exhibit C

Form of Membership Purchase Agreement

MEMBERSHIP INTEREST PURCHASE AGREEMENT

GIPIL 525 S PERRYVILLE RD , LLC

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT (this **"Agreement"**) by and between _____ (the **"Seller"**) and Generation Income Properties L.P., or its designee (the **"Purchaser"**). Unless otherwise defined herein, any capitalized term referred to herein shall have the meaning ascribed to such term in that Limited Liability Company Agreement of GIPIL 525 S PERRYVILLE RD, LLC (the **"Company"**) entered into _____ __, 2021 (the **"JV Agreement"**).

WHEREAS, the Purchaser has made the election provided by Section 10.01(c) of the JV Agreement to purchase _____ Membership Interest of the Seller for an amount equal to Seller's pro rata portion of the Redemption Price [Note: To be adjusted throughout if less than all Membership Interest is purchased.] and pursuant and subject to the terms and provisions of Section 10.01 of the JV Agreement;

WHEREAS, the Seller and Purchaser are entering into this Agreement to undertake and consummate the Membership Interest Purchase on the terms and provisions provided for herein and in Section 10.01 and elsewhere of the JV Agreement; and

WHEREAS, the Seller and Purchaser are entering into this Agreement to undertake and consummate the Membership Interest Purchase Agreement on the terms and provisions provided for herein and in Section 10.01 and elsewhere of the JV Agreement.

NOW, THEREFORE, for and in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller and Purchaser agree as follows:

Section 1. The Membership Interest Purchase/Payment of Redemption Price . Upon the closing of the purchase and sale of the Seller's entire Membership Interest in the Company (i.e., the Membership Interest Purchase) on the Purchase Closing Date, the Purchaser shall pay to the Seller an amount equal to Seller's pro rata portion of the Redemption Price (the **"Sale Payment Amount"**) in cash, and/or as applicable, units of Generation Income Properties L.P., as provided and determined in and under Section 10.01 of the JV Agreement (including, as regard to the type and amount of such units, as determined and provided in Section 10.01(e) of the JV Agreement) in exchange for Seller's entire Membership Interest (and, thus, the Seller's entire membership and beneficial ownership interest in and to the Company) which the Seller shall deliver to the Purchaser free and clear of any and all liens, claims and encumbrances. The Seller hereby acknowledges and agrees that upon its receipt of the Sale Payment Amount, the Seller shall not, and no longer, have any right, title, interest, entitlement or claim in or to any distributions, fees, profits, income, gains, payments, reimbursements, compensation, salary or other amounts or otherwise any of the assets, property and rights from, of and/or held or owned directly or indirectly by the Company or any direct or indirect subsidiary or affiliate of the Company and, further, the Seller shall no longer have any powers or rights (including, without limitation, any consent, approval, management, enforcement, termination, removal or control right or power or any right or power to propose or approve any amendment) under, to or with respect to the Company or the JV Agreement.

Section 2. Intentionally Blank.

Section 3. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser that as of the date hereof and through and including the closing of the Membership Interest Purchase, as follows:

3.1 Authority and Enforceability. The Seller has full power and authority to execute, deliver and perform this Agreement and the transactions contemplated hereby and has validly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding agreement of the Seller, enforceable in accordance with its terms, except as such enforcement may be limited by general principles of equity or by bankruptcy, insolvency or other similar laws affecting creditors' rights generally. No consent, approval or other action by any governmental authority is required in connection with the execution, delivery and performance by the Seller of this Agreement.

3.2 Existence and Good Standing. The Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the state of its organization and has full limited liability company power and authority under its organizational documents to own its property and to carry on its business as is now being conducted.

3.3 Limited Liability Company Interests. The Seller owns its Membership Interest free and clear of any and all liens, claims and encumbrances.

3.4 No Insolvency; Bankruptcy; Dissolution/Liquidation. (a) The Seller has not made (and does not anticipate having to make) any voluntary assignment or proposal under applicable laws relating to insolvency and bankruptcy; (b) no bankruptcy petition has been filed or presented against the Seller and the Seller is not otherwise subject to any bankruptcy, insolvency or similar type of proceeding or action (and the Seller does not currently anticipate any such petition being filed or presented against it or otherwise becoming subject to any such proceeding or action); and (c) no order has been made or a resolution passed for the winding-up, dissolution or liquidation of the Seller (and the Seller does not currently anticipate that any such order or resolution shall be made or passed).

3.5 No Event of Default Under JV Agreement or other agreement. The Seller has not breached, and/or is not in default under, the JV Agreement or any other agreement or arrangement to which it is subject or a party and that no distribution, fee, reimbursement or other amount is owed or payable to the Seller under the JV Agreement and/or otherwise by the Company or any direct or indirect subsidiary or affiliate of the Company.

Section 4. Deliveries.

4.1 Documents to be executed and deliveries to be made by theSeller in connection with the Membership Interest Purchase. As a condition to the undertaking and consummation of the Membership Interest Purchase, the Seller, and unless waived by the Purchaser in its sole discretion, the Seller shall deliver to the Purchaser:

(a) this Agreement fully and duly executed and dated by the Seller;

(b) a fully and duly executed affidavit complying with the provisions of Section 1445(b)(2) of the Internal Revenue Code and reasonably acceptable to the Purchaser certifying that the Seller is not a foreign person;

(c) certified copies of resolutions authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby; and

(d) such other and additional certificates, agreements and documents as the Purchaser shall reasonably request.

4.2 Documents to be executed and deliveries to be made by thePurchaser in connection with the Membership Interest Purchase. As a condition to the undertaking and consummation of the Membership Interest Purchase and unless waived by the Seller in its sole discretion, the Purchaser shall deliver to the Seller this Agreement fully and duly executed and dated by the Purchaser.

Section 5. Indemnification.

5.1 Indemnification Obligations. From and after the Membership Interest Purchase, the Seller shall indemnify, defend and hold the Purchaser harmless from and against any and all costs, losses and damages incurred by any of them, arising out of, or in connection with, the following: (a) any misrepresentation or breach of any warranty made by the Seller in this Agreement or any certificate, agreement, instrument or document delivered pursuant hereto; or (b) any breach by the Seller of any covenant, agreement or obligation, which is contained in this Agreement or any certificate, agreement, instrument or document delivered by the Seller pursuant hereto.

5.2 Survival of Obligations. The obligations of the Seller to indemnify, defend and hold harmless pursuant to this Section 5 shall survive execution of this Agreement and the consummation of the transactions contemplated hereby.

Section 6. Remedies. Except as otherwise provided herein, the rights and remedies expressly provided herein are cumulative and not exclusive of any rights or remedies which a party hereto may otherwise have at law or in equity. Nothing herein shall be construed to require any party hereto to elect among remedies.

Section 7. Survival of Representations, Warranties and Covenants. The representations, warranties and covenants of the parties contained in this Agreement or in any certificate or statement delivered pursuant hereto shall survive the consummation and closing of the Membership Interest Purchase and the other transactions contemplated hereby.

Section 8. Tax. The tax implications and consequences of the Membership Interest shall be as provided in the JV Agreement and applicable tax law.

Section 9. Miscellaneous.

9.1 Notice. Any notice, payment, demand or communication required or permitted to be given pursuant to any provision of this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent by postage prepaid, registered mail, return receipt requested, (iii) transmitted by fax or e-mail, or (iv) delivered by nationally/internationally recognized overnight courier, to the corresponding address as it appears in Schedule A of the JV Agreement, or to such other address as a Person may from time to time specify by notice to the Members.

9.2 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be in full force and effect and enforceable in accordance with its terms.

9.3 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

9.4 Divisions and Headings. The divisions of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect whatsoever in construing the provisions of this Agreement.

9.5 Entire Agreement/Amendment/Counterparts. This Agreement supersedes all previous contracts, and constitutes the entire agreement of whatsoever kind or nature existing between or among the parties respecting the subject matter hereof and no party hereto shall be entitled to other benefits than those specified herein, other than the JV Agreement and the provisions thereof (including, without limitation, the provisions of Section 10.01). All prior representations or agreements, whether written or verbal, not expressly incorporated herein, are superseded, and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all parties hereto. In entering into this Agreement, no party is relying on any statement, representation, warranty or agreement except for the statements, representations, warranties and agreements expressly set forth in this Agreement. This Agreement may be executed in two or more counterparts, including facsimile or pdf counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

9.6 Intentionally Blank.

9.7 Waiver of Breach. The waiver by any party hereto of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof.

9.8 Choice of Law; Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws principles thereof. Any disputes arising out of this Agreement or otherwise in relation to the Company shall be adjudicated exclusively in the federal and state courts sitting in Hillsborough County, Florida, with appeal rights to the appropriate appellate courts. Each party hereto hereby agrees that service of process in any such proceeding may be made by giving notice by certified mail to such party at the place set forth in Section 9.1 herein.

9.9 Intentionally Blank.

9.10 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the respective successors and assigns of the parties.

9.11 Exclusivity. This Agreement is for the exclusive benefit of the parties and their respective permitted successors and assigns hereunder and that nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective permitted successors and assigns any right, remedies, obligations or liabilities under or by reason of this Agreement, except as may expressly be provided in this Agreement.

9.12 Assignment. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof may be assigned or delegated by any party to this Agreement without the prior written consent of the other party to this Agreement, which consent may be withheld by such other party in its sole and absolute discretion.

9.13 Rule of Construction. This Agreement shall be interpreted without regard to any presumption or rule requiring construction against the party causing this Agreement to be drafted.

9.14 Further Assurances. Each party shall execute and deliver such further instruments and do such further acts and things as may reasonably be required to carry out the intent and purposes of this Agreement promptly upon reasonable request from any other party.

9.15 Provisions of this Agreement and JV Agreement. For the avoidance of doubt, each party hereto hereby acknowledges and agrees that the provisions of this Agreement and Section

10.01 of the JV Agreement shall be interpreted and read together and applied in a manner that the Manager reasonably determines would give effect to all of such provisions, with neither this Agreement nor the JV Agreement having priority over the other.

[*The remainder of this page is intentionally blank****]***

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth below.

PURCHASER:

Generation Income Properties, L.P., a Delaware limited partnership

By: Generation Income Properties, Inc., its general partner

By: _____
David Sobelman
Title: President
Date: _____ ___, 2021

SELLER:

_____

Exhibit 10.44

TENANTS IN COMMON AGREEMENT

This TENANTS IN COMMON AGREEMENT (the "**Agreement**"), dated effective as of August 2, 2021 (the "**Effective Date**"), is entered into between GIPIL 525 S PERRYVILLE RD, LLC, a Delaware limited liability company ("**GIPIL**"), and SUNNY RIDGE MHP, LLC, a Florida limited liability company ("**Sunny Ridge**") (each sometimes hereinafter also referred to as a "**Tenant in Common**", and collectively referred to herein as the "**Tenants in Common**").

WHEREAS, the Tenants in Common will acquire as tenants in common, and not as partners or joint venturers, the percentage undivided interests (each, an "**Interest**") set forth in Exhibit A in certain real property and improvements, as more particularly described in Exhibit B attached hereto and incorporated herein (the "**Property**");

WHEREAS, the Tenants in Common desire to enter into this Agreement to provide for the orderly administration of their rights and responsibilities as to each other and as to others and to delegate authority and responsibility for the intended further operation and management of the Property; and

WHEREAS, the Property is subject to a loan (the "**Loan**") secured by a Mortgage encumbering the Property (the "**Mortgage**") in favor of American Momentum Bank (together with its successor and assigns, "**Lender**") (the Mortgage and other documents, agreements, and instruments evidencing, securing, or delivered to the Lender in connection with the Loan are collectively referred to herein as the "**Loan Documents**").

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below.

1. **Nature of Relationship Between Co-Tenants**. The Tenants in Common shall each hold their respective interests in the Property, in such percentages as set forth on Exhibit A attached hereto and made a part hereof, as tenants in common. The Tenants in Common do not intend by this Agreement to create a partnership or a joint venture, but merely to set forth the terms and conditions upon which each of them shall hold their respective interests in the Property. The Tenants in Common do not intend or desire to create a partnership or joint venture with the Property Manager (as defined in Section 2.1 below). Each Tenant in Common hereby elects to be excluded from the provisions of Subchapter K of Chapter 1 of the Internal Revenue Code of 1986, as amended (the "**Code**"), with respect to the joint ownership of the Property. The exclusion elected by the Tenants in Common hereunder shall commence with the execution of this Agreement. Each Tenant in Common hereby covenants and agrees that each Tenant in Common shall report on such Tenant in Common's respective federal and state income tax returns such Tenant in Common's respective share of items of income, deduction, and credits which result from holding the Property in a manner consistent with exclusion of the Tenants in Common from Subchapter K of Chapter 1 of the Code, commencing with the first taxable year of the tenancy in common created by this Agreement. No Tenant in Common shall notify the Commissioner of Internal Revenue that such Tenant in Common desires that Subchapter K of the Code apply to the Tenants in Common and each Tenant in Common hereby agrees to indemnify, protect, defend, and hold the other Tenant in Common free and harmless from all costs, liabilities, tax consequences, and expenses, including, without limitation, attorneys' fees, which may result from any Tenant in Common so notifying such Commissioner in violation of this Agreement or otherwise taking a contrary position on any tax return. Except as expressly provided herein, no Tenant in Common is authorized to act as agent for, to act on behalf of, or to do any act that will bind any other Tenant in Common or to incur any obligations with respect to the Property.

2. **Management**.

2.1 **Property Manager**. Concurrently herewith, the Tenants in Common and Generation Income Properties, LP (the "**Property Manager**"), are entering into a property management agreement (the "**Property Management Agreement**") with respect to the Property. The Property Management Agreement shall be for a term of no longer than twelve (12) months, may be renewed on an annual basis for an additional period of no more than twelve (12) months, and shall require the distribution of available cash flow to the Tenants in Common within sixty (60) days following receipt of same. Pursuant to the Property Management Agreement, the Property Manager shall be the sole and exclusive manager of the Property to act as agent of the Tenants in Common with respect to the management and operation of the Property during the term of the Property Management Agreement. Neither: (a) the removal, withdrawal, termination, or resignation of the Property Manager; (b) any assignment for the benefit of creditors by or the adjudication of bankruptcy or incompetency of the Property Manager; nor (c) the termination of the Property Management Agreement, shall cause the termination of this Agreement and this Agreement shall remain in full force and effect notwithstanding any such events. The approval of each Tenant in Common shall be required to approve: (i) any renewal or extension of the Property Management Agreement or any replacement agreement; and (ii) the hiring of any replacement property manager and the terms of any agreement governing the same.

2.2 **Authority of the Tenants in Common**. The unanimous approval, consent, or other action by the Tenants in Common is required with respect to any actions taken with respect to the Property, including without limitation: (a) the sale or other disposition of all or a portion of the Property: (b) the leasing or re-leasing of all or a portion of the Property; (c) the creation or modification of a blanket lien on the Property as security for an indebtedness; (d) any renewal or extension of the Property Management Agreement or any replacement agreement; and (e) the hiring of any replacement property manager and the terms of any property management agreement governing same. Whenever in this Agreement the consent or approval of the Tenants in Common is required or otherwise requested, the Tenants in Common shall have five (5) days after the date the request for consent or approval is submitted to approve or disapprove of the matter (unless a longer or shorter period for response is specifically provided for herein). The Tenants in Common agree to use their best efforts to respond to any request for consent or approval. If a Tenant in Common does not disapprove of such matter within such five (5) day period (or such longer or shorter period expressly provided for herein), the Tenant in Common shall be deemed to have approved the matter.

3. **Income and Expenses**. Except as otherwise provided herein, all benefits and obligations of the ownership of the Property, including, without limitation, income, revenue, operating expenses, proceeds from sale or refinance, or condemnation awards shall be shared by the Tenants in Common in proportion to their respective undivided interests in the Property. Without limiting the generality of the foregoing: (a) the Tenants in Common shall receive all cash from operations of the Property after payment of expenses, in proportion to their respective undivided interests in the Property, except for such amounts as may be determined by the Tenants in Common to be retained for reserves or improvements; and (b) taxes shall be paid by each Tenant in Common in proportion to their respective undivided interests.

4. **Obligations**. The Tenants in Common each agree to perform such acts as may be reasonably necessary to carry out the terms and conditions of this Agreement, including, without limitation:

4.1 **Documents**. Executing documents required in connection with a sale or refinancing of the Property in accordance with Section 5 below and such additional documents as may be required under this Agreement or may be reasonably required to effect the intent of the Tenants in Common with respect to the Property or any loans encumbering the Property.

4.2 **Additional Funds**. Each Tenant in Common will be responsible for a pro rata share (based on its undivided interest or as otherwise provided) with respect to taxes, any management fee, or other items specifically applicable to the Property, or any future cash needed in connection with the ownership, operation, management, and maintenance of the Property as determined by the Property Manager pursuant to the Property Management Agreement. To the extent any Tenant in Common fails to pay any funds pursuant to this Section 4.2 within five (5) days after the Property Manager delivers notice that such additional funds are required, the other Tenant in Common may advance such amount. In no event shall such advance remain outstanding by the nonpaying Tenant in Common for a period exceeding ten (10) days. The nonpaying Tenant in Common shall reimburse the paying Tenant in Common, upon demand, the amount of any such advance plus interest thereon at the rate of eight percent (8%) *per annum* (but not more than the maximum rate allowed by law) until paid. In addition, the Property Manager is hereby authorized to pay the Tenant in Common entitled to reimbursement and interest the amounts due out of future cash from operations or from a sale or refinancing of the Property or other distributions pursuant to the Property Management Agreement. The remedies against a nonpaying Tenant in Common provided for herein are in addition to any other remedies that may otherwise be available, including, but not limited to, the right to obtain a lien against the undivided interest in the Property of the nonpaying Tenant in Common to the extent allowed by law. Notwithstanding the preceding provisions, however, it is expressly understood and agreed that all such rights to, or to obtain, reimbursement are subject and subordinate in all respects to the rights of the Lender and any other lender with an Approved Loan.

5. **Sale or Encumbrance of Property**.

5.1 **Approval Required**. Any loan encumbering the Property or any sale of the Property shall be subject to unanimous approval by the Tenants in Common, which approval shall be communicated by written response to a written request for approval. For purposes hereof, a loan encumbering the Property which has been approved by the Tenants in Common in accordance with the foregoing, including but not limited to the Loan, shall be referred to as an "**Approved Loan**."

5.2 **Distribution of Proceeds**. Notwithstanding any other provisions of this Agreement, proceeds of any sale or financing shall be distributed at the closing of the sale or finance as set forth below.

(a) To the extent necessary, the proceeds shall first be used to pay in full any loans encumbering title to the Property.

(b) The proceeds shall next be used to pay all outstanding costs and expenses incurred in connection with the holding, marketing, sale, or financing of the Property.

(c) Any proceeds remaining after payment of the items set forth in this Section 5.2 shall be paid as provided in Section 3.

6. **Possession**. The Tenants in Common intend to own and/or lease the Property strictly for investment purposes at all times. No Tenant in Common shall have the right to occupy or use the Property at any time during the term of this Agreement.

7. **Transfer or Encumbrance**.

7.1 **Transfer Restrictions**. Subject to compliance with the terms of this Agreement, including, without limitation, the terms of Section 10 hereof, applicable securities laws and compliance with the terms of the Loan and the Loan Documents, each Tenant in Common may sell, transfer, convey, pledge, encumber, or hypothecate its Interest in the Property or any part thereof (each a "**Transfer**"), provided that any transferee shall take such Interest subject to this Agreement, and the transferor and transferee shall execute an assignment and assumption agreement ("**Assumption Agreement**") whereby: (a) the transferor assigns to the transferee all of its right, title, and interest in and to this Agreement; and (b) the transferee assumes and agrees to perform faithfully and be bound by all of the terms, covenants, conditions, provisions, and agreements of this Agreement with respect to the undivided Interest to be transferred. Upon the execution and recordation of such Assumption Agreement, the transferor shall be relieved of all liability under this Agreement accruing after the date of recordation of the Assumption Agreement, except for those arising from events occurring prior to the date of the Assumption Agreement, and the transferee shall become a party to this Agreement without requiring any further action by any other Tenant in Common. Each Tenant in Common shall be responsible for compliance with applicable securities laws with respect to any sale or Transfer of its Interest in the Property. Notwithstanding the foregoing, for so long as an Approved Loan is encumbering the Property, a Tenant in Common shall have no right to Transfer any portion of its Interest in the Property, without the prior written consent of the lender under the Approved Loan or as otherwise expressly provided in the Approved Loan.

7.2 **Call Option**. At any time after the second year anniversary of the Effective Date GIPIL, may, at its election, require Sunny Ridge to sell all of its Interest to GIPIL. Sunny Ridge shall take all actions as may be reasonably necessary to consummate the sale contemplated by this Section 7.2, including, without limitation, entering into agreements and delivering certificates and instruments as may be deemed necessary or appropriate. The purchase price for Sunny Ridge's Interest under this Section 7.2 shall be $1,200,000, which each of Sunny Ridge and GIPIL acknowledge is the fair market value of such interest.

8. **Partition**.

8.1 **Right of Partition**. The Tenants in Common agree that any Tenant in Common and any of its Successors (as defined below) shall have the right, while this Agreement remains in effect, to have the Property partitioned, and to file a complaint or institute any proceeding at law or in equity to have the Property partitioned in accordance with and to the extent provided by applicable law and to the extent permitted by the Lender. The Tenants in Common acknowledge that partition of the Property may result in a forced sale by all of the Tenants in Common. To avoid the inequity of a forced sale and the potential adverse effect on the investment by the Tenants in Common, the Tenants in Common agree that, as a condition precedent to filing a partition action, the Tenant in Common filing such action (each, a "**Selling Tenant**") shall first make a written offer ("**Offer**") to sell its Interest to the other Tenant in Common (for the purpose of this Section 8, the "**Purchasing Tenant**") at a price equal to: (a) the Fair Market Value (as defined below) of the Selling Tenant's Interest in the Property minus (b): (i) the Selling Tenant's proportionate share of any fee or other amount that would be payable to any third party (including any real estate commission) upon the sale of the Property at a price equal to the Fair Market Value; and (ii) selling, prepayment, or other costs that would apply in the event the Property was sold on the date of the Offer.

8.2 **Fair Market Value**. "**Fair Market Value**" shall mean the fair market value of the Selling Tenant's undivided Interest in the Property on the date the Offer is made as determined in accordance with the procedures set forth below. The Purchasing Tenant shall have ten (10) days after delivery of the Offer to accept the Offer. If the Purchasing Tenant accepts the Offer, the Selling Tenant and the Purchasing Tenant shall commence negotiation of the Fair Market Value within five (5) days after the Offer is accepted. If the parties do not agree on the Fair Market Value, after good faith negotiations, within ten (10) days, then each party shall submit to the other a proposal ("**Proposal**") containing the Fair Market Value the submitting party believes to be correct. If either party fails timely to submit a Proposal, the other party's submitted Proposal shall determine the Fair Market Value. If both parties timely submit Proposals, then the Fair Market Value shall be determined in accordance with the procedures set forth below. The parties shall meet within five (5) days after delivery of the last Proposal and mutually appoint an independent certified real estate appraiser. The decision of the appraiser shall be made within thirty (30) days after the appointment of the appraiser. The cost of the appraiser shall be paid equally by the Selling Tenant and the Purchasing Tenant. The closing of the purchase of the Selling Tenant's Interest shall occur at the offices of a mutually agreeable title company where the Property is located within ten (10) days after the date on which Fair Market Value is determined, whether by agreement or appraisal. Closing costs and prorations shall be allocated as is customary practice where the Property is located.

9. **Bankruptcy Option**.

9.1 **Option**. If, during the term of this Agreement, a Tenant in Common is "**Bankrupt**" (as defined below) (a "**Bankrupt Tenant in Common**"), the other Tenant in Common shall have the right, to be exercised by written notice ("**Bankruptcy Call Notice**") to the Bankrupt Tenant in Common, to buy all of the Bankrupt Tenant in Common's Interest in the Property. Upon receipt of the Bankruptcy Call Notice, the Bankrupt Tenant in Common shall be obligated to sell to the other Tenant in Common, and the other Tenant in Common shall be obligated to buy the Bankrupt Tenant in Common's entire Interest in the Property for the Fair Market Value of the Bankrupt Tenant in Common's Interest in the Property, as Fair Market Value is determined under Section 8 above. Such purchase and sale shall be closed within ten (10) days following the determination of Fair Market Value. The foregoing notwithstanding, if the applicable bankruptcy court or applicable bankruptcy rules require that the Fair Market Value of the Bankrupt Tenant in Common's Interest in the Property be determined through an alternate valuation method, the parties may agree that such alternate valuation method shall be used to determine the Fair Market Value of the Property that is subject to such court's jurisdiction in lieu of the procedure established in Section 8, as required by such court or the applicable rules. In addition, any such bankruptcy or other insolvency proceeding will constitute an event of default under this Agreement.

9.2 **Bankruptcy**. For the purposes of this Agreement, a Tenant in Common shall be considered Bankrupt if such Tenant in Common: (a) is unable to pay its debts as they come due, including any debt associated with the Property; (b) admits in writing to its inability to pay debts as they come due, including any debt associated with the Property; (c) makes a general assignment for the benefit of creditors; (d) files any petition or answer seeking to adjudicate it bankrupt or insolvent; (e) seeks liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of its debts; (f) seeks, consents to, or acquiesces in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official or for any substantial part of its property; (g) is the subject of the entry of an order for relief or approval of a petition for relief or reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future bankruptcy, insolvency, or similar statue, law, or regulation or the filing of any such petition that is not dismissed within ninety (90) days; or (h) is the subject of the entry of an order appointing a trustee, custodian, receiver, or liquidator with respect to all or any substantial portion of its property, which order is not dismissed within sixty (60) days.

9.3 **Right of First Refusal**. If under federal bankruptcy law, similar debtor relief laws, or other laws affecting the Property, the option to purchase granted under this Section 9 is voided or declared unenforceable, the other Tenant in Common shall have a right of first refusal to buy any Interest in the Property of a Bankrupt Tenant in Common in the event of any proposed transfer by a trustee, receiver, conservator, liquidator, guardian, or other transferor. Such right of first refusal shall provide that the other Tenant in Common may buy the Bankrupt Tenant in Common's Interest in the Property at the same price and on the same terms as such Interest in the Property is proposed to be sold by such trustee, receiver, conservator, liquidator, guardian, or other transferor. The rights contained in this Section 9 shall be subject and subordinate to the rights of the Lender and any other lender with an Approved Loan with respect to the Interest in the Property.

9.4 **No Voting Rights**. If any Tenant in Common shall voluntarily or involuntarily be declared bankrupt, then the voting and approval rights of that Tenant in Common shall immediately cease. It is the intention of the Tenants in Common that only the beneficial interest of the Bankrupt Tenant in Common will be vested in the successor Tenant in Common and the consequences of any bankruptcy will not interfere with the operations of the Property.

10. **Right of First Offer**. If a Tenant in Common desires to sell its Interest in the Property or Transfer its Interest in the Property pursuant to Section 7 (the "**Selling Tenant**"), then as a condition precedent to such sale or Transfer, the Selling Tenant shall first offer to sell or Transfer its Interest in the Property to the other Tenant in Common ("**Offeree**") in writing ("**Selling Tenant Notice**"), which Selling Tenant Notice shall specify: (a) if the Selling Tenant intends to sell or Transfer all or a portion of its Interest in the Property; and (b) the material terms and conditions, including the price, pursuant to which the Selling Tenant proposes to sell or Transfer its Interest in the Property. The Offeree shall have the right, within ten (10) days after receipt of such Selling Tenant Notice (the "**ROFO Purchase Offer Period**"), to deliver a written offer ("**Purchase Offer**") to the Selling Tenant to purchase the Selling Tenant's Interest in the Property. If Offeree fails to deliver a Purchase Offer to the Selling Tenant within the ROFO Purchase Offer Period, then the Selling Tenant shall be free to either sell or Transfer its Interest in the Property to a bona fide third party other than Offeree, provided that such sale or Transfer: (i) shall be on the exact same terms and at the exact same price as stated in Selling Tenant Notice; (ii) is in compliance with the terms of the Loan and any other Approved Loan; and (iii) is consummated within sixty (60) days following the expiration of the ROFO Purchase Offer Period. If the Selling Tenant does not sell or Transfer its Interest in the Property within such period, the right provided hereunder shall be deemed to be revived and the Selling Tenant shall not offer its Interest in the Property to any third-party unless first re-offered to Offeree in accordance with this Section 10. The rights contained herein shall be subject and subordinate in all respects to the rights of the Lender and any other lender with an Approved Loan in the Property.

11. **General Provisions**.

11.1 **Mutuality, Reciprocity, Runs with the Land**. All provisions, conditions, covenants, restrictions, obligations, and agreements contained herein are made for the direct, mutual, and reciprocal benefit of each and every part of the Property; shall be binding upon and shall inure to the benefit of each of the Tenants in Common and their respective heirs, executors, administrators, successors, assigns, devisees, representatives, lessees, and all other persons acquiring any undivided interest in the Property or any portion thereof whether by operation of law or any manner whatsoever (collectively, "**Successors**"); shall create mutual, equitable servitudes and burdens upon the undivided interest in the Property of each Tenant in Common in favor of the interest of every other Tenant in Common; shall create reciprocal rights and obligations between the respective Tenants in Common, their interests in the Property, and their Successors; and shall, as to each of the Tenants in Common and their Successors, operate as covenants running with the land, for the benefit of the other Tenant in Common pursuant to applicable law. It is expressly agreed that each covenant contained herein: (a) is for the benefit of and is a burden upon the undivided interests in the Property of each of the Tenants in Common; (b) runs with the undivided interest in the Property of each Tenant in Common; and (c) benefits and is binding upon each Successor owner during its ownership of any undivided interest in the Property, and each owner having any interest therein

derived in any manner through any Tenant in Common or Successor. Every person or entity who now or hereafter owns or acquires any right, title, or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every restriction, provision, covenant, right, and limitation contained herein, whether or not such person or entity expressly assumes such obligations or whether or not any reference to this Agreement is contained in the instrument conveying such interest in the Property to such person or entity. The Tenants in Common agree that, subject to the terms and conditions of this Agreement, any Successor shall become a party to this Agreement upon acquisition of an undivided interest in the Property as if such person was a Tenant in Common initially executing this Agreement.

11.2 **Attorneys' Fees**. If any arbitration, action, or proceeding is instituted between the Tenants in Common arising from or related to this Agreement, the Tenant in Common prevailing in such arbitration, action, or proceeding shall be entitled to recover from the other Tenant in Common all of its or their costs of arbitration, action, or proceeding, including, without limitation, attorneys' fees and costs as fixed by the court or arbitrator therein.

11.3 **Entire Agreement**. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations, and understandings of the parties hereto, oral or written, are hereby superseded and merged herein.

11.4 **Governing Law**. This Agreement shall be governed by and construed under the internal laws of the state of Delaware without regard to choice of law rules. Any dispute arising under this Agreement shall be brought in the state and federal courts located in Hillsborough County, Florida, and the parties agree that such courts shall have exclusive jurisdiction with respect to such matters.

11.5 **Amendment and Modification**. No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by all parties to this Agreement.

11.6 **Notices**. Unless specifically stated otherwise in this Agreement, all notices, waivers, and demands required or permitted hereunder shall be in writing and delivered to the addresses set forth below, by one of the following methods:

(a) hand delivery, whereby delivery is deemed to have occurred at the time of delivery;

(b) a nationally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day (as defined below) following deposit with the courier;

(c) registered United States Mail, signature required and postage-prepaid, whereby delivery is deemed to have occurred on the third Business Day following deposit with the United States Postal Service; or

(d) electronic transmission (facsimile or email) provided that the transmission is completed no later than 5:00 p.m. E.T. on a Business Day and the original also is sent via overnight courier or United States Mail, whereby delivery is deemed to have occurred at the end of the Business Day on which electronic transmission is completed.

To GIPIL	Attn: David E. Sobelman, President 401 E. Jackson Street, Suite 3300 Tampa, FL 33602
To Sunny Ridge:	Sunnyridge MHP, LLC Attn: Richard Hornstrom & Pete Biehayn 2900 W Julia St unit 702 Tampa FL 33629

Any party may change its address for purposes of this Section 11.6 by giving written notice as provided in this Section 11.6. All notices and demands delivered by a party's attorney on a party's behalf shall be deemed to have been delivered by said party. Notices shall be valid only if served in the manner provided in this Section 11.6. As used herein, the term "**Business Day**" shall mean any day other than a Saturday, Sunday, or a legal holiday on which national banks are not open for general business in the State of Delaware.

11.7 **Successors and Assigns**. All provisions of this Agreement shall inure to the benefit of and shall be binding upon the Successors, and legal representatives of the parties hereto.

11.8 **Term**. This Agreement shall commence as of the date written above and shall terminate at such time as the Tenants in Common or their Successors no longer own the Property as tenants in common or otherwise agree to dissolve the tenancy in common. The bankruptcy, death, dissolution, liquidation, termination, incapacity, or incompetency of a Tenant in Common shall not cause the termination of this Agreement.

11.9 **Waivers**. Any waiver of any provision or of any breach of this Agreement shall be in writing and signed by the party waiving said provision or breach. No waiver of any breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.

11.10 **Counterparts**. This Agreement may be executed in counterparts, each of which, when taken together, shall be deemed one fully-executed original.

11.11 **Severability**. If any portion of this Agreement shall become illegal, null or void, or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void, or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law.

11.12 **Further Assurances**. From the Effective Date, each Tenant in Common agrees to do such things, perform such acts, and make, execute, acknowledge, and deliver such documents as may be reasonably necessary and customary to complete the transactions contemplated by this Agreement.

11.13 **Time is of the Essence**. Time is of the essence of each and every provision of this Agreement.

11.14 **Memorandum of Agreement**. Concurrently with the execution of this Agreement, the parties shall execute a Memorandum of Agreement in the form attached hereto as Exhibit C ("**Memorandum of Agreement**"). Within five (5) days after the Effective Date, the parties shall cause the Memorandum of Agreement to be recorded in the County where the Property is located.

11.15 **Reserved for Any Lender Required Provisions**.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective as of the date first written above.

GIPIL 525 S PERRYVILLE RD, LLC, a DELAWARE LIMITED LIABILITY COMPANY

By: /s/ David E. Sobelman
Name: David E. Sobelman
Title: Authorized Representative

SUNNY RIDGE MHP, LLC a FLORIDA LIMITED LIABILITY COMPANY

By: /s/ Richard N. Hornstrom
Name: Richard N. Hornstrom
Title: MMGR

EXHIBIT A

PERCENTAGE INTERESTS

TENANT IN COMMON	PERCENTAGE UNDIVIDED INTEREST
GIPIL 525 S PERRYVILLE RD, LLC	**36.84%**
SUNNY RIDGE MHP, LLC	**63.16%**

EXHIBIT B

PROPERTY

PARCEL A:

LOT 2 AS DESIGNATED UPON THE PLAT OF WILLIAMS MANNY SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH SUBDIVISION IS RECORDED IN BOOK 40 OF PLATS ON PAGE 27A IN THE RECORDER'S OFFICE OF WINNEBAGO COUNTY, ILLINOIS.

PARCEL B:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS SET FORTH IN EASEMENT AGREEMENT DATED DECEMBER 5, 2012 BY AND BETWEEN FIRST ROCKFORD GROUP, INC., 555 REAL ESTATE, L.L.C. AND LABRADOR GROUP, L.L.C., RECORDED MARCH 20, 2013 AS DOCUMENT NO. 20131011893.

Address: 525 South Perryville Road, Rockford, Illinois

Permanent Index Number 12-27-226-009

EXHIBIT C

MEMORANDUM OF AGREEMENT

LIMITED RECOURSE GUARANTY
(David E. Sobelman)

This **LIMITED RECOURSE GUARANTY** (this ***"Guaranty")*** is executed as of August 13, 2021, by **DAVID E. SOBELMAN,** an individual ***("Guarantor")*** in favor of and for the benefit of **AMERICAN MOMENTUM BANK** (together with its successors and/or assigns, ***"Lender").***

WITNESSETH:

A. Pursuant to that certain Promissory Note dated of even date herewith, executed by GIPIL 525 S PERRYVILLE RD, LLC, a Delaware limited liability company, and, SUNNY RIDGE MHP LLC, a Florida limited liability company (collectively, ***"Borrower"),*** and payable to the order of Lender in the original principal amount of TWO MILLION SEVEN HUNDRED FIFTEEN THOUSAND AND NO/100 DOLLARS ($2,715,000.00) (together with all renewals, modifications, increases and extensions thereof, the ***"Note"),*** Borrower has become indebted, and may from time to time be further indebted, to Lender with respect to a loan (the ***"Loan")*** which is made pursuant to that certain Loan Agreement dated of even date herewith, between Borrower and Lender (as the same may be amended, modified, supplemented, replaced or otherwise modified from time to time, the ***"Loan Agreement").*** The Note is secured by that certain first priority Mortgage, Assignment of Leases and Rents and Security Agreement (the ***"Mortgage"),*** in favor of Lender made by Borrower. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

B. Lender is not willing to make the Loan, or otherwise extend credit, to Borrower unless Guarantor guarantees the payment and performance to Lender of the Guaranteed Obligations (as herein defined), on the terms herein.

C. Guarantor is an owner of direct or indirect interests in Borrower and will directly benefit from Lender making the Loan to Borrower.

NOW, THEREFORE, as an inducement to Lender to make the Loan to Borrower and to extend such additional credit as Lender may from time to time agree to extend under any of the documents which evidence and/or secure the Loan (collectively, the ***"Loan Documents"),*** and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE 1
NATURE AND SCOPE OF GUARANTY

Section 1.1 Guaranty of Obligation.

(a) Guarantor hereby irrevocably guarantees to Lender and its successors and assigns the payment and performance of the Guaranteed Obligations (as defined below) as and when the same shall be due and payable, whether by lapse of time, by acceleration of maturity or otherwise. Guarantor hereby irrevocably and unconditionally covenants and agrees that it is liable for the Guaranteed Obligations as a primary obligor, but only in the event of the occurrence of a Borrower's Recourse Event, as defined herein.

(b) As used herein, the term ***"Guaranteed Obligations"*** means payment and performance of the Obligations equal to any loss or damage suffered by Lender as a result of the occurrence of any of Borrower's Recourse Events (as hereinafter defined).

(c) As used herein the term ***"Obligations"*** means (i) the full and prompt payment when due, whether by acceleration or otherwise, and at all times thereafter, of all obligations of Borrower to Lender under the Note, (ii) the performance of all obligations of the Borrower under the terms and provisions of the Loan Agreement, and (iii) the performance of all obligations of Borrower under the terms and provisions of the Loan Documents.

(d) As used herein the term ***"Bankruptcy Code"*** means Title 11 of the United States Code entitled "Bankruptcy", as amended from time to time, and any successor statute or statutes and all rules and regulations from time to time promulgated thereunder, and any comparable foreign laws relating to bankruptcy, insolvency or creditors' rights.

(e) For purposes hereof, ***"Borrower's Recourse Events"*** shall mean

i. fraud, willful misconduct, intentional misrepresentation or failure to disclose a material fact by or on behalf of Borrower or Guarantor, in connection with the Loan, including by reason of any claim under the Racketeer Influenced and Corrupt Organizations Act (RICO);

ii. wrongful removal or destruction of any portion of the Premises (as defined in the Loan Agreement) or damage to the Premises caused by willful misconduct or gross negligence of Borrower or Guarantor;

iii. any physical and intentional waste of the Premises caused by the actions and/or inactions of Borrower and/or Guarantor;

iv. the forfeiture by Borrower of the Premises, or any portion thereof, because of the conduct of criminal activity by Borrower or Guarantor;

v. the misappropriation or conversion in violation of the Loan Documents by or on behalf of Borrower of (A) any insurance proceeds paid by reason of any loss, damage or destruction to the Premises, (B) any Awards or other amounts received in connection with the condemnation of all or a portion of the Premises, or (C) any rental amounts or deposits relative to the Premises or (D) any other funds due under the Loan Documents;

vi. failure to pay charges for labor or materials or other charges that create a lien on any portion of the Premises, to the extend such lien is not bonded or discharged within one hundred twenty (120) days after filing;

vii. failure of Borrower to pay to Lender upon demand after a Default (as defined in the Loan Agreement) all rents to which Lender is entitled under the Loan Documents and the amount of all security deposits collected by Borrower from income from the Premises, if any;

viii. failure to pay real estate taxes or transfer taxes applicable to the Premises to the extent there is available cash flow from the Premises to pay for the same; and/or

ix. failure to obtain and maintain the necessary insurance required pursuant to the Loan Agreement.

Section 1.2 Nature of Guaranty. This Guaranty is an irrevocable, absolute, continuing guaranty of payment and performance and not a guaranty of collection. This Guaranty may not be revoked by Guarantor and shall continue to be effective with respect to any Guaranteed Obligations arising or created after any attempted revocation by Guarantor and after (if such Guarantor is a natural person) such Guarantor's death (in which event this Guaranty shall be binding upon such Guarantor's estate and such Guarantor's legal representatives and heirs). The fact that at any time or from time to time the Guaranteed Obligations may be increased or reduced shall not release or discharge the obligation of Guarantor to Lender with respect to the Guaranteed Obligations. This Guaranty may be enforced by Lender and any subsequent holder of the Note and shall not be discharged by the assignment or negotiation of all or part of the Note.

Section 1.3 Guaranteed Obligations Not Reduced by Offset. The Guaranteed Obligations and the liabilities and obligations of Guarantor to Lender hereunder shall not be reduced, discharged or released because or by reason of any existing or future offset, claim or defense of Borrower or any other party against Lender or against payment of the Guaranteed Obligations, whether such offset, claim or defense arises in connection with the Guaranteed Obligations (or the transactions creating the Guaranteed Obligations) or otherwise.

Section 1.4 Payment By Guarantor. If all or any part of the Guaranteed Obligations is or shall give rise to a monetary obligation, and such monetary obligation shall not be punctually paid when due, whether at demand, maturity, acceleration or otherwise, Guarantor shall, immediately upon demand by Lender and without presentment, protest, notice of protest, notice of non-payment, notice of intention to accelerate the maturity, notice of acceleration of the maturity or any other notice whatsoever, all such notices being hereby waived by Guarantor, pay in lawful money of the United States of America, the amount due on the Guaranteed Obligations to Lender at Lender's address as set forth herein. Such demand(s) may be made at any time coincident with or after the time for payment of all or part of the Guaranteed Obligations and may be made from time to time with respect to the same or different items of Guaranteed Obligations. Such demand shall be deemed made, given and received in accordance with the notice provisions hereof.

Section 1.5 No Duty To Pursue Others. It shall not be necessary for Lender (and Guarantor hereby waives any rights which such Guarantor may have to require Lender), in order to enforce the obligations of Guarantor hereunder, first to (i) institute suit or exhaust its remedies against Borrower or others liable on the Loan or the Guaranteed Obligations or any other person/entity, (ii) enforce Lender's rights against any collateral which shall ever have been given to secure the Loan, (iii) enforce Lender's rights against any other guarantors of the Guaranteed Obligations, (iv) join Borrower or any others liable on the Guaranteed Obligations in any action seeking to enforce this Guaranty, (v) exhaust any remedies available to Lender against any collateral which shall ever have been given to secure the Loan, or (vi) resort to any other means of obtaining payment of the Guaranteed Obligations. Lender shall not be required to mitigate damages or take any other action to reduce, collect or enforce the Guaranteed Obligations.

Section 1.6 Waivers. Guarantor agrees to the provisions of the Loan Documents and hereby waives notice of (i) any loans or advances made by Lender to Borrower, (ii) acceptance of this Guaranty, (iii) any amendment or extension of the Note, the Mortgage, the Loan Agreement or any other Loan Document, (iv) the execution and delivery by Borrower and Lender of any other loan or credit agreement or of Borrower's execution and delivery of any promissory note or other document arising under the Loan Documents or in connection with the Premises, (v) the occurrence of (A) any breach by Borrower of any of the terms or conditions of the Loan Agreement or any of the other Loan Documents, or **(B)** a Default, (vi) Lender's transfer or disposition of the Guaranteed Obligations, or any part thereof, (vii) the sale or foreclosure (or the posting or advertising for the sale or foreclosure) of any collateral for the Guaranteed Obligations, (viii) protest, proof of non-payment or default by Borrower, or (ix) any other action at any time taken or omitted by Lender and, generally, all demands and notices of every kind in connection with this Guaranty, the Loan Documents, any documents or agreements evidencing, securing or relating to any of the Guaranteed Obligations and/or the obligations hereby guaranteed.

Section 1.7 Payment of Expenses. In the event that Guarantor shall breach or fail to timely perform any provisions of this Guaranty, Guarantor shall, immediately upon demand by Lender, pay Lender all costs and expenses (including court costs and reasonable attorneys' fees) incurred by Lender in the enforcement hereof or the preservation of Lender's rights hereunder, together with interest thereon at the Default Rate from the date requested by Lender until the date of payment to Lender.

Section 1.8 Effect of Bankruptcy. In the event that pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law or any judgment, order or decision thereunder, Lender must rescind or restore any payment or any part thereof received by Lender in satisfaction of the Guaranteed Obligations, as set forth herein, any prior release or discharge from the terms of this Guaranty given to Guarantor by Lender shall be without effect and this Guaranty shall remain (or shall be reinstated to be) in full force and effect. It is the intention of Borrower and Guarantor that Guarantor's obligations hereunder shall not be discharged except by Guarantor's performance of such obligations and then only to the extent of such performance. For purposes hereof, the ***"Bankruptcy Code"*** shall mean Title 11 of the Unites States Code entitled "Bankruptcy", as amended from time to time, and any successor statue or statues and all rules and regulations from time to time promulgated thereunder.

Section 1.9 Waiver of Subrogation, Reimbursement and Contribution. Notwithstanding anything to the contrary contained in this Guaranty, Guarantor hereby unconditionally and irrevocably waives, releases and abrogates any and all rights it may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantor to the rights of Lender), to assert any claim against or seek contribution, indemnification or any other form of reimbursement from Borrower or any other party liable for the payment of any or all of the Guaranteed Obligations for any payment made by Guarantor under or in connection with this Guaranty or otherwise.

ARTICLE 2
EVENTS AND CIRCUMSTANCES NOT REDUCING
OR DISCHARGING GUARANTOR'S OBLIGATIONS

Guarantor hereby consents and agrees to each of the following and agrees that such Guarantor's obligations under this Guaranty shall not be released, diminished, impaired, reduced or adversely affected by any of the following and waives, to the extent permitted by applicable law, any common law, equitable, statutory or other rights (including, without limitation, rights to notice) which such Guarantor might otherwise have as a result of or in connection with any of the following:

Section 2.1 Modifications. Any renewal, extension, increase, modification, alteration or rearrangement of all or any part of the Note, the Mortgage, the Loan Agreement, the other Loan Documents or any other document, instrument, contract or understanding between Borrower and Lender or any other parties pertaining to the Guaranteed Obligations or any failure of Lender to notify Guarantor of any such action.

Section 2.2 Adjustment. Any adjustment, indulgence, forbearance or compromise that might be granted or given by Lender to Borrower or Guarantor (or any other guarantor of the obligations of Borrower).

Section 2.3 Condition of Borrower or Guarantor. The insolvency, bankruptcy, arrangement, adjustment, composition, liquidation, disability, dissolution or lack of power of Borrower, Guarantor or any other person/entity at any time liable for the payment of all or part of the Guaranteed Obligations; or any dissolution of Borrower or Guarantor or any sale, lease or transfer of any or all of the assets of Borrower or Guarantor or any changes in the direct or indirect shareholders, partners or members, as applicable, of Borrower or Guarantor; or any reorganization of Borrower or Guarantor.

Section 2.4 Invalidity of Guaranteed Obligations. The invalidity, illegality or unenforceability of all or any part of the Guaranteed Obligations or any document or agreement executed in connection with the Guaranteed Obligations for any reason whatsoever, including, without limitation, the fact that (i) the Guaranteed Obligations or any part thereof exceeds the amount permitted by law, (ii) the act of creating the Guaranteed Obligations or any part thereof is ultra vires, (iii) the officers or representatives executing the Note, the Mortgage, the Loan Agreement or the other Loan Documents or otherwise creating the Guaranteed Obligations acted in excess of their authority, (iv) the Guaranteed Obligations violate applicable usury laws, (v) Borrower has valid defenses, claims or offsets (whether at law, in equity or by agreement) which render the Guaranteed Obligations wholly or partially uncollectible from Borrower, (vi) the creation, performance or repayment of the Guaranteed Obligations (or the execution, delivery and performance of any document or instrument representing part of the Guaranteed Obligations or executed in connection with the Guaranteed Obligations or given to secure the repayment of the Guaranteed Obligations) is illegal, uncollectible or unenforceable, or (vii) the Note, the Mortgage, the Loan Agreement or any of the other Loan Documents have been forged or otherwise are irregular or not genuine or authentic, it being agreed that Guarantor shall remain liable hereon regardless of whether Borrower or any other person/entity be found not liable on the Guaranteed Obligations or any part thereof for any reason.

Section 2.5 Release of Obligors. Any full or partial release of the liability of Borrower for the Guaranteed Obligations or any part thereof, or of any co-guarantors, or of any other person/entity now or hereafter liable, whether directly or indirectly, jointly, severally, or jointly and severally, to pay, perform, guarantee or assure the payment of the Guaranteed Obligations, or any part thereof, it being recognized, acknowledged and agreed by Guarantor that Guarantor may be required to pay the Guaranteed Obligations in full without assistance or support from any other person/entity, and that Guarantor has not been induced to enter into this Guaranty on the basis of a contemplation, belief, understanding or agreement that other persons (including Borrower) will be liable to pay or perform the Guaranteed Obligations or that Lender will look to other persons (including Borrower) to pay or perform the Guaranteed Obligations.

Section 2.6 Other Collateral. The taking or accepting of any other security, collateral or guaranty, or other assurance of payment, for all or any part of the Guaranteed Obligations.

Section 2.7 Release of Collateral. Any release, surrender, exchange, subordination, deterioration, waste, loss or impairment (including, without limitation, negligent, willful, unreasonable or unjustifiable impairment) of any collateral, property or security at any time existing in connection with, or assuring or securing payment of, all or any part of the Guaranteed Obligations.

Section 2.8 Care and Diligence. The failure of Lender or any other party to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of any collateral, property or security, including, but not limited to, any neglect, delay, omission, failure or refusal of Lender (i) to take or prosecute any action for the collection of any of the Guaranteed Obligations, or (ii) to foreclose, or initiate any action to foreclose, or, once commenced, prosecute to completion any action to foreclose upon any security therefor, or (iii) to take or prosecute any action in connection with any instrument or agreement evidencing or securing all or any part of the Guaranteed Obligations.

Section 2.9 Unenforceability. The fact that any collateral, security, security interest or lien contemplated or intended to be given, created or granted as security for the repayment of the Guaranteed Obligations, or any part thereof, shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other security interest or lien, it being recognized and agreed by Guarantor that Guarantor is not entering into this Guaranty in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectability or value of any of the collateral for the Guaranteed Obligations.

Section 2.10 Offset. Any existing or future right of offset, claim or defense of Borrower against Lender, or any other party, or against payment of the Guaranteed Obligations, whether such right of offset, claim or defense arises in connection with the Guaranteed Obligations (or the transactions creating the Guaranteed Obligations) or otherwise.

Section 2.11 Merger. The reorganization, merger or consolidation of Borrower with any other person/entity.

Section 2.12 Preference. Any payment by Borrower to Lender is held to constitute a preference under the Bankruptcy Code or for any reason Lender is required to refund such payment or pay such amount to Borrower or to any other person/entity.

Section 2.13 Other Actions Taken or Omitted. Any other action taken or omitted to be taken with respect to the Loan Documents, the Guaranteed Obligations or the security and collateral therefor, whether or not such action or omission prejudices Guarantor or increases the likelihood that Guarantor will be required to pay the Guaranteed Obligations pursuant to the terms hereof, it being the unambiguous and unequivocal intention of Guarantor that Guarantor shall be obligated to pay the Guaranteed Obligations when due, notwithstanding any occurrence, circumstance, event, action or omission whatsoever, whether contemplated or uncontemplated, and whether or not otherwise or particularly described herein, which obligation shall be deemed satisfied only upon the full and final payment and satisfaction of the Loan.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

To induce Lender to enter into the Loan Documents and to extend credit to Borrower, Guarantor represents and warrants to Lender as follows:

Section 3.1 Benefit. Guarantor is the owner of a direct or indirect interest in Borrower and has received, or will receive, direct or indirect benefit from the making of this Guaranty with respect to the Guaranteed Obligations.

Section 3.2 Familiarity and Reliance. Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of Borrower and is familiar with the value of any and all collateral intended to be created as security for the payment of the Note or Guaranteed Obligations; however, such Guarantor is not relying on such financial condition or the collateral as an inducement to enter into this Guaranty.

Section 3.3 No Representation By Lender. Neither Lender nor any other party has made any representation, warranty or statement to Guarantor in order to induce such Guarantor to execute this Guaranty.

Section 3.4 Guarantor's Financial Condition. As of the date hereof, and after giving effect to this Guaranty and the contingent obligation evidenced hereby, Guarantor (a) is solvent, (b) has assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities) and debts, and (c) has property and assets sufficient to satisfy and repay its obligations and liabilities, including the Guaranteed Obligations.

Section 3.5 Proceedings; Enforceability. This Guaranty and the other Loan Documents to which Guarantor is a party have been duly authorized, executed and delivered by Guarantor and constitute a legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of

creditors' rights generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Neither this Guaranty nor any other Loan Document to which Guarantor is a party is subject to any right of rescission, set-off, counterclaim or defense by Guarantor, including the defense of usury, nor would the operation of any of the terms of this Guaranty or such other Loan Documents, or the exercise of any right hereunder or thereunder, render this Guaranty or such other Loan Documents unenforceable, and Guarantor has not asserted any right of rescission, set-off, counterclaim or defense with respect thereto.

Section 3.6 Legality. The execution, delivery and performance by Guarantor of this Guaranty and the other Loan Documents to which Guarantor is a party, and the consummation of the transactions contemplated hereunder and thereunder, do not and will not contravene or conflict with any law, statute or regulation whatsoever to which Guarantor is subject, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the breach of, any indenture, mortgage, charge, lien, contract, agreement or other instrument to which Guarantor is a party or which may be applicable to Guarantor.

Section 3.7 Consents. No consent, approval, authorization or order of any court or governmental authority is required for the execution, delivery and performance by Guarantor of, or compliance by Guarantor with, this Guaranty or the other Loan Documents to which Guarantor is a party, or the consummation of the transactions contemplated hereby or thereby, other than those which have been obtained by Guarantor.

Section 3.8 Litigation; Full and Accurate Disclosure. There is no action, suit, proceeding or investigation pending or, to the best of Guarantor's knowledge, threatened against Guarantor in any court or by or before any other governmental authority which, if adversely determined, might materially and adversely affect the condition (financial or otherwise) or business of Guarantor (including the ability of Guarantor to carry out the obligations contemplated by this Guaranty). There is no material fact presently known to Guarantor which has not been disclosed to Lender which adversely affects, nor as far as Guarantor can foresee, might adversely affect, the Premises, the business, operations or condition (financial or otherwise) of Borrower or Guarantor.

Section 3.9 Survival. All representations and warranties made by Guarantor herein shall survive the execution hereof.

ARTICLE 4
SUBORDINATION OF CERTAIN INDEBTEDNESS

Section 4.1 Subordination of All Guarantor Claims. As used herein, the term ***"Guarantor Claims"*** shall mean all debts and liabilities of Borrower to Guarantor, but not third parties, whether such debts and liabilities now exist or are hereafter incurred or arise, and whether the obligations of Borrower thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of the person/entity in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be, created, or the manner in which they have been, or may hereafter be, acquired by Guarantor. The Guarantor Claims shall

include, without limitation, all rights and claims of Guarantor against Borrower (arising as a result of subrogation or otherwise) as a result of Guarantor's payment of all or a portion of the Guaranteed Obligations. So long as any portion of the Obligations or the Guaranteed Obligations remain outstanding, Guarantor shall not receive or collect, directly or indirectly, from Borrower or any other person/entity any amount upon the Guarantor Claims.

Section 4.2 Claims in Bankruptcy. In the event of any receivership, bankruptcy, reorganization, arrangement, debtor's relief or other insolvency proceeding involving Guarantor as a debtor, Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon Guarantor Claims. Guarantor hereby assigns such dividends and payments to Lender. Should Lender receive, for application against the Guaranteed Obligations, any dividend or payment which is otherwise payable to Guarantor and which, as between Borrower and Guarantor, shall constitute a credit against the Guarantor Claims, then, upon payment to Lender in full of the Obligations and the Guaranteed Obligations, Guarantor shall become subrogated to the rights of Lender to the extent that such payments to Lender on the Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if Lender had not received dividends or payments upon the Guarantor Claims.

Section 4.3 Payments Held in Trust. Notwithstanding anything to the contrary contained in this Guaranty, in the event that Guarantor should receive any funds, payments, claims and/or distributions which are prohibited by this Guaranty, Guarantor agrees to hold in trust for Lender an amount equal to the amount of all funds, payments, claims and/or distributions so received, and agrees that it shall have absolutely no dominion over the amount of such funds, payments, claims and/or distributions so received except to pay such funds, payments, claims and/or distributions promptly to Lender, and Guarantor covenants promptly to pay the same to Lender.

Section 4.4 Liens Subordinate. Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Guaranteed Obligations, regardless of whether such encumbrances in favor of Guarantor or Lender presently exist or are hereafter created or attach. Without the prior written consent of Lender, Guarantor shall not (i) exercise or enforce any creditor's rights it may have against Borrower, or (ii) foreclose, repossess, sequester or otherwise take steps or institute any action or proceedings (judicial or otherwise, including, without limitation, the commencement of, or the joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any liens, mortgages, deeds of trust, security interests, collateral rights, judgments or other encumbrances on the assets of Borrower held by Guarantor. The foregoing shall in no manner vitiate or amend, nor be deemed to vitiate or amend, any prohibition in the Loan Documents against Borrower granting liens or security interests in any of its assets to any person/entity other than Lender.

ARTICLE 5
COVENANTS

Section 5.1 Covenants. Until all of the Obligations and the Guaranteed Obligations have been paid in full, Guarantor shall not sell, pledge, mortgage or otherwise transfer any of its assets, or any interest therein, on terms materially less favorable than would be obtained in an arms-length transaction.

Section 5.2 Prohibited Transactions. Guarantor shall not, at any time while a default in the payment of the Guaranteed Obligations has occurred and is continuing, sell, pledge, mortgage or otherwise transfer to any person/entity any of Guarantor's assets, or any interest therein.

Section 5.3 Additional Covenants.

(a) Litigation. Guarantor shall give prompt notice to Lender of any litigation or governmental proceedings pending or threatened against Guarantor which might materially adversely affect Guarantor's condition (financial or otherwise) or business (including Guarantor's ability to perform its obligations hereunder or under the other Loan Documents to which it is a party).

(b) Patriot Act. Guarantor will use its good faith and commercially reasonable efforts to comply with the Patriot Act and all applicable requirements of governmental authorities having jurisdiction over Guarantor, including those relating to money laundering and terrorism.

(c) Further Assurances. Guarantor shall, at Guarantor's sole cost and expense:

(i) cure any defects in the execution and delivery of the Loan Documents to which Guarantor is a party and execute and deliver, or cause to be executed and delivered, to Lender such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to correct any omissions in the Loan Documents to which Guarantor is a party, as Lender may reasonably require; and

(ii) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Guaranty and the other Loan Documents to which Guarantor is a party, as Lender may reasonably require from time to time.

ARTICLE 6
MISCELLANEOUS

Section 6.1 Waiver. No failure to exercise, and no delay in exercising, on the part of Lender, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Lender hereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision of this Guaranty, nor any consent to any departure therefrom, shall be effective unless in writing and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

Section 6.2 Notices. All notices, demands, requests, consents, approvals or other communications (any of the foregoing, a ***"Notice")*** required, permitted or desired to be given hereunder shall be in writing and shall be sent by telefax (with answer back acknowledged) or by registered or certified mail, postage prepaid, return receipt requested, or delivered by hand or by reputable overnight courier, addressed to the party to be so notified at its address hereinafter set forth, or to such other address as such party may hereafter specify in accordance with the provisions of this Section 6.2. Any Notice shall be deemed to have been received: (a) three (3) days after the date such Notice is mailed, (b) on the date of sending by electronic mail if sent during business hours on a Business Day (otherwise on the next Business Day), (c) on the date of delivery by hand if delivered during business hours on a Business Day (otherwise on the next Business Day), and (d) on the next Business Day if sent by an overnight commercial courier, in each case addressed to the parties as follows:

If to Borrower:	GIPIL 525 S PERRYVILLE RD, LLC Attn: David E. Sobelman, President 401 E. Jackson Street, Suite 3300 Tampa, Florida 33602 SUNNY RIDGE MHP LLC Attn: Richard N. Hornstrom, Managing Member 1002 Locke Street Avon Park, Florida 33825
If to Borrower, with copy to:	**TRENAM LAW** **200 Central Avenue, Suite 1600** **St. Petersburg, Florida 33701** **Attention: Tim Hughes, Esquire**
If to Lender:	**AMERICAN MOMENTUM BANK** **Attention: Commercial Loan Department** **500 South Washington Boulevard** **Sarasota, Florida 34236**
If to Lender, with copy to:	**BUCHANAN INGERSOLL & ROONEY PC** **401 E. Jackson Street, Suite 2400** **Tampa, Florida 33602** **Attention: Leonard H. Johnson, Esquire.**

Any party may change the address to which any such Notice is to be delivered by furnishing ten (10) days written notice of such change to the other parties in accordance with the provisions of this Section 6.2. Notices shall be deemed to have been given on the date set forth above, even if there is an inability to actually deliver any Notice because of a changed address of which no Notice was given or there is a rejection or refusal to accept any Notice offered for delivery. Notice for any party may be given by its respective counsel.

Section 6.3 Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of Florida (without regard to conflict of laws or principles) and the applicable laws of the United States of America.

Section 6.4 Invalid Provisions. If any provision of this Guaranty is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Guaranty, such provision shall be fully severable and this Guaranty shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Guaranty, and the remaining provisions of this Guaranty shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Guaranty, unless such continued effectiveness of this Guaranty, as modified, would be contrary to the basic understandings and intentions of the parties as expressed herein.

Section 6.5 Amendments. This Guaranty may be amended only by an instrument in writing executed by the party(ies) against whom such amendment is sought to be enforced.

Section 6.6 Parties Bound; Assignment. This Guaranty shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, permitted assigns, heirs and legal representatives. Lender shall have the right to assign or transfer its rights under this Guaranty in connection with any assignment of the Loan and the Loan Documents. Any assignee or transferee of Lender shall be entitled to all the benefits afforded to Lender under this Guaranty. Guarantor shall not have the right to assign or transfer its rights or obligations under this Guaranty without the prior written consent of Lender, and any attempted assignment without such consent shall be null and void.

Section 6.7 Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Guaranty.

Section 6.8 Recitals. The recitals and introductory paragraphs hereof are a part hereof, form a basis for this Guaranty and shall be considered *prima facie* evidence of the facts and documents referred to therein.

Section 6.9 Counterparts. To facilitate execution, this Guaranty may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Guaranty to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

Section 6.10 Rights and Remedies. If Guarantor becomes liable for any indebtedness owing by Borrower to Lender, by endorsement or otherwise, other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may ever have against Guarantor. The exercise by Lender of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

Section 6.11 Entirety. THIS GUARANTY EMBODIES THE FINAL, ENTIRE AGREEMENT OF GUARANTOR AND LENDER WITH RESPECT TO GUARANTOR'S GUARANTY OF THE GUARANTEED OBLIGATIONS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF. THIS GUARANTY IS INTENDED BY GUARANTOR AND LENDER AS A FINAL AND COMPLETE EXPRESSION OF THE TERMS OF THE GUARANTY, AND NO COURSE OF DEALING BETWEEN GUARANTOR AND LENDER, NO COURSE OF PERFORMANCE, NO TRADE PRACTICES AND NO EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE SHALL BE USED TO CONTRADICT, VARY, SUPPLEMENT OR MODIFY ANY TERM OF THIS GUARANTY. THERE ARE NO ORAL AGREEMENTS BETWEEN GUARANTOR AND LENDER.

Section 6.12 Waiver of Right To Trial By Jury. GUARANTOR AND LENDER (BY ACCEPTANCE HEREOF) EACH HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND EACH WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS GUARANTY, THE NOTE, THE MORTGAGE, THE LOAN AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH GUARANTOR AND LENDER AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY EACH PARTY.

Section 6.13 Cooperation. Guarantor acknowledges that Lender and its successors and assigns may (i) sell this Guaranty, the Note and the other Loan Documents to one or more investors as a whole loan or (ii) participate the Loan secured by this Guaranty to one or more investors.

Section 6.14 Reinstatement in Certain Circumstances. If at any time any payment of the principal of or interest under the Note or any other amount payable by Borrower under the Loan Documents is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, Guarantor's obligations hereunder with respect to such payment shall be reinstated as though such payment had been due but not made at such time.

Section 6.15 Gender; Number; General Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, (a) words used in this Guaranty may be used interchangeably in the singular or plural form, (b) any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, (c) the word ***"Borrower"*** shall mean "each Borrower and any subsequent owner or owners of the Premises or any part thereof or interest therein", (d) the word ***"Lender"*** shall mean "Lender and any subsequent holder of the Note", (e) the word ***"Note"*** shall mean "the Note and any other evidence of indebtedness secured by the Loan Agreement", (f) the word ***"Premises"*** shall include any portion of the Premises and any interest therein, and (g) the phrases "attorneys' fees", "legal fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels, incurred or paid by Lender in protecting its interest in the Premises, the leases and/or rents (affecting the Premises) and/or in enforcing its rights hereunder.

Section 6.16. Insurance. Guarantor is hereby notified that, unless Borrower or Guarantor provides Lender with evidence of the insurance coverage required by Section 7.2 of the Loan Agreement, Lender may purchase insurance at Borrower's expense to protect Lender's interests in the Premises and/or the Collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the Premises and/or the Collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by the Loan Agreement. If Lender purchases insurance for the Premises and/or the Collateral, Borrower and Guarantor will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of such insurance, until the effective date of the cancellation or expiration of the insurance. The costs of such insurance may be added to Borrower's total outstanding balance or obligation. The costs of such insurance may be more than the cost of insurance Borrower may be able to obtain on Borrower's own.

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IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first above written.

/s/ DAVID E. SOBELMAN
DAVID E. SOBELMAN, an individual

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the inclusion in this Amendment No. 9 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
August 18, 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