
**INVESTMENT SUMMARY**

**GINKGO EDGEWATER LLC,**
**a North Carolina limited liability company**

**$14,940,000 of Membership Interests**
**Offered in Units of $10,000 Each**

***AVAILABLE TO ACCREDITED INVESTORS ONLY***

Name of Offeree:_____ Investment Summary No. _____

**This Summary constitutes an offer only if a name of an offeree appears in the space above.**

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**April 1, 2026**

The information contained in this Investment Summary (the "**Summary**") describes Edgewater Investor LLC, a North Carolina limited liability company (the "**Company**"), the sale of membership interests in the Company ("**Membership Interests**") and certain real property located in Greensboro, North Carolina in which the Company intends to invest. This Summary is being provided to each prospective investor on a confidential basis so that each prospective investor may consider an investment in the Company. This Summary may not be used for any other purpose, reproduced, or provided to any person or entity, other than advisors of a prospective investor who are directly concerned with a prospective investor's decision regarding such investment, without first obtaining the written permission of Ginkgo Multifamily OP LP (**"Ginkgo OP"**). By accepting delivery of this Summary, each prospective investor agrees to the foregoing and to return this Summary to the Manager if such prospective investor does not purchase an interest in the Company. This Summary constitutes an offer only if a name of an offeree appears in the space at the top of this page.

The Company will become the 99.9% member in Gingko Edgewater LLC, a North Carolina limited liability company (the "**Investment Company**"), and the Investment Company will purchase a 483-unit apartment community known as "Edgewater Village Apartments" located at 5500 Weslo Willow Circle, Greensboro, Guilford County, North Carolina (the "**Property**"). The Investment Company intends to operate and lease the Property to provide cash flow for the Company.

The Company will be managed by Ginkgo GP Fund II LLC, a Delaware limited liability company (in such capacity, the "**Manager**"). The Manager will have sole responsibility for the management and operation of the Company. Investors will not be entitled to participate in the day-to-day management of the Company.

To fund the acquisition of the Company's interest in the Investment Company and thereby the acquisition of the Property, the Company is offering for sale, only to Accredited Investors (as herein defined), units representing Class A Membership Interests in the Company (**"Units"**) in the aggregate sum of up to $14,940,000 payable as detailed in this Summary (the "**Offering**"). 1,494 Units in denominations of $10,000 per Unit are being offered for sale through the Offering. The minimum investment is five (5) Units or $50,000 (the "**Minimum Investment**").

The Company is a newly organized, manager-managed limited liability company. Investors purchasing Units in the Company pursuant to this Offering (the "**Investors**") will acquire Membership Interests designated as the "**Class A-1 Interests**" and the "**Class A-2 Interests**" in the Company (collectively the Class A-1 Interests and Class A-2 Interests are the "**Class A Interest**.") The Class A Interest offered hereunder will represent collectively a 90.00% voting interest in the Company and will generally be allocated 90.00% of the profits, losses and net cash flow of the Company. The remaining 10.00% voting and economic interest (designated as the **"Class B Interest"**) will be owned by the Manager, which will purchase the Class B Interest for a cash contribution of $1,660,000.

The Manager, or any of its members or affiliates, will be permitted, but have no obligation, to purchase Class A Interests upon payment of the Minimum Investment on the same terms and conditions as the Investors. Any Class A Interest so purchased will represent a Class A Interest in the Company identical to those interests being acquired by third party Investors under this Offering. Any Class A Interests acquired by the Manager or any of its members may be transferred after the closing of the Offering in accordance with the requirements of the Operating Agreement. The price per Unit received by the Manager or its members in connection with the subsequent transfer of any such Class A Interest may be more or less than that paid by Investors pursuant to this Offering.

BSREF Value Add Multifamily Fund IV LP ("**BSREF IV**") will purchase all of the Class A-1 Interests for a cash price of $8,000,000. The remaining $6,940,000 of Class A Interest in this Offering will be the Class A-2 Interests purchased by other Investors hereunder. The only cash invested in the Company will be the aggregate $8,000,000 in Class A-1 Interests purchased by BSREF IV and the $6,940,000 in Class A-2 Interests purchased by other Investors, all pursuant to this Offering, together with $1,660,000 invested by the Manager for the Class B Interest, for a total aggregate investment of $16,600,000.

**THE MEMERSHIP INTERESTS IN THE COMPANY OFFERED HEREBY HAVE NEITHER BEEN REGISTERED WITH NOR APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. NO COMMISSION OR AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS SUMMARY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.**

**THIS OFFERING IS BEING MADE PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, PROVIDED IN SECTION 4(2) THEREOF AND RULE 506 OF REGULATION D PROMULGATED THEREUNDER, AS AMENDED, AND AN EXEMPTION FROM STATE REGISTRATION REQUIREMENTS PROVIDED BY THE NATIONAL SECURITIES MARKETS IMPROVEMENT ACT OF 1996.**

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

**THIS INVESTMENT SUMMARY CONTAINS FORWARD-LOOKING STATEMENTS THAT RELATE TO THE PLANS, OBJECTIVES, ESTIMATES AND GOALS OF THE COMPANY AND ITS SUBSIDIARIES. THERE IS NO EXPRESSED OR IMPLIED REPRESENTATION REGARDING THE ACHIEVABILITY OF THE FORWARD-LOOKING STATEMENTS. WORDS SUCH AS "EXPECTS", "ANTICIPATES", INTENDS", "PLANS", "BELIEVES" AND "ESTIMATES", AND VARIATIONS OF SUCH WORDS AND SIMILAR EXPRESSIONS, IDENTIFY SUCH FORWARD-LOOKING STATEMENTS. THE BUSINESS OF THE COMPANY AND ITS SUBSIDIARIES IS SUBJECT TO NUMEROUS RISKS AND UNCERTAINTIES, INCLUDING PROBABLE VARIABILITY IN ANNUAL OPERATING STATEMENTS, REAL ESTATE INVESTMENT AND FINANCING RISKS, RISKS OF CONSTRUCTION, POSSIBLE ENVIRONMENTAL LIABILITIES AND OTHER RISKS. THESE AND OTHER RISKS AND UNCERTAINTIES, MANY OF WHICH ARE ADDRESSED IN MORE DETAIL IN THIS INVESTMENT SUMMARY, COULD CAUSE THE ACTUAL RESULTS FROM OPERATIONS TO BE MATERIALLY DIFFERENT FROM THOSE EXPRESSED OR IMPLIED BY ANY OF THESE FORWARD-LOOKING STATEMENTS.**

Prospective investors are not to consider the contents of this Summary or any prior or subsequent communication from the Manager or any other party as legal or tax advice. The obligations and representations of the parties to this transaction will be set forth in the documents to be entered into. Information contained herein is obtained from sources deemed reliable, but no representation or warranties are made as to its accuracy or completeness.

Statements contained herein as to the content of any document or summaries are not necessarily complete and in each instance reference is made to such documents. Copies of any documents referred to herein and not furnished herewith may be obtained from Ginkgo REIT Inc., Attn: Investor Relations, 200 S College Street Suite 200, Charlotte, NC 28202, telephone: (704) 944-0100, email: investors@ginkgomail.com.

## DESCRIPTION OF THE OFFERING

This Summary describes the Offering to prospective investors of Class A Interests in the Company. Class A Interests aggregating $14,940,000 are being offered in 1,494 Units of $10,000 each (the **"Unit Price"**), with 800 Units ($8,000,000 aggregate Unit Price) being the Class A-1 Interest to be acquired by BSREF IV, and 694 Units ($6,940,000 aggregate Unit Price) being the Class A-2 Interests to be acquired by other Investors, all pursuant to this Offering. The Minimum Investment is five (5) Units, though Investors may, subject to acceptance by the Manager in its sole discretion, purchase additional Units and fractional units. The Manager, in its sole discretion, may also accept subscriptions for less than the Minimum Investment.

Each Investor's investment in the Company is due and payable in 2 installments: (i) 82% of the subscription is paid upon subscription and (ii) the remaining 18% of the subscription will be due within 10 business days after notice from the Manager (which shall be given no later than December 31, 2026).

The Company will not hold a closing of the Offering until it has received in the aggregate subscriptions for $14,940,000 in commitments for the Class A Interests. The Company may close the Offering at any time but shall conduct an initial closing no later than April 22, 2025, unless the Manager extends such deadline (as so extended, if applicable, the **"Closing"**).

If the Company does not receive the full $14,940,000 in subscriptions for Class A Interests on or before the Closing, the Manager (or its affiliates) may elect to purchase the remaining Class A Units and seek to re-sell or transfer such Units after the closing of the Offering. Any such re-sale of Units will be done in accordance with the requirements of the Operating Agreement of the Company and any restrictions imposed by any applicable financing on the Property. The price received by the Manager (or its affiliates) in connection with the re-sale of any Unit may be more or less than the amount paid by Investors pursuant to this Offering.

The Manager has committed to contribute $1,660,000 for the 10.00% Class B Interest in the Company. The Manager, or its affiliates, also reserves the right to purchase Class A Interests, in addition to the Class B Interest to which Manager has already committed, pursuant to and in accordance with the terms of this Offering.

This Offering is being made only to "**Accredited Investors**" as the term is defined in Rule 501(a) of Regulation D under the Securities Act of 1933. The form of Subscription Agreement associated with this Summary lists the criteria for being an Accredited Investor.

This Summary sets forth a summary only of various matters believed to be important in understanding an investment in the Company as follows:

(i) A description of the Offering;

(ii) A description of the Property to be acquired;

(iii) An outline of the sources and uses of funds in connection with the Property;

(iv) A description of various transactions with parties affiliated with the Manager;

(v) A description of the proposed financing to be obtained by the Company in connection with the acquisition of the Property;

(vi) A description of the Company;

(vii) An identification of certain risk factors; and

(viii) A description of the minimum Investor qualifications and the procedures to be followed in order to make an investment in the Company.

In reviewing this Summary, an understanding of the various key terms is essential. The following are the primary defined terms (indicated by capitalization of the initial letter thereof) as used in this Summary:

"***Acquisition Contract***" refers to the Purchase and Sale Agreement dated January 21, 2026 between Ginkgo OP, as buyer, and LWH Edgewater Village Apartments LP, as seller, as amended by (i) Amendment to Purchase and Sale Agreement and Offer to Purchase and Contract dated as of February 18, 2026, (ii) Second Amendment to Purchase and Sale Agreement and Offer to Purchase and Contract dated as of March 4, 2026, (iii) Third [erroneously titled "Second"] Amendment to Purchase and Sale Agreement and Offer to Purchase and Contract dated as of March 4, 2026; (iv) Fourth Amendment to Purchase and Sale Agreement and Offer to Purchase and Contract dated as of March 10, 2026 and (v) Fifth Amendment to Purchase and Sale Agreement and Offer to Purchase and Contract dated March 24, 2026, and assigned by Ginkgo OP to Investment Company by Assignment and Assumption of Purchase and Sale Agreement and Offer to Purchase and Contract dated March 13, 2026. See the Section below titled "Description of the Property—Acquisition of the Property" for a more detailed description of the Acquisition Contract.

"***Company***" refers to Edgewater Investor LLC, a North Carolina limited liability company. Investors will be making an investment in the Company. A limited liability company is a separate legal entity that enjoys "pass-through" tax status similar to that of a partnership. An Investor's liability will be limited to the amount of his/her investment in the Company.

***"Ginkgo OP"*** refers to Ginkgo Multifamily OP LP, a Delaware limited liability company, which is the manager and a member of the Manager.

***"GinRes"*** refers to Ginkgo Residential LLC, which will be engaged by the Investment Company as property manager to manage and operate the Property. GinRes is an affiliate of Ginkgo OP.

***"Investment Company"*** refers to Ginkgo Edgewater LLC, a North Carolina limited liability company, in which the Company will become a 99.9% member, and which will acquire the Property. See the Section below titled "Property Tax Abatement and Structuring" for a more detailed description of the Investment Company.

**"*Lender"*** refers to the lender of the Loan, as identified under the Section below titled "Financing the Property."

"***Loan***" refers to a mortgage loan to be obtained by the Investment Company to acquire the Property, as described under the Section below titled "Financing the Property." The Loan will be secured by a first-lien deed of trust covering the Property. Individual Investors will have no direct liability on the Loan.

"***Member***" is a technical term applied to a person, firm, corporation, or other entity making an investment in a limited liability company such as the Company. It equates to a "stockholder" in a conventional corporation. Investors who make a capital contribution of $10,000 for each Unit acquired in the Company, subject to the Minimum Investment, will be Members in the Company.

"***Manager***" refers to Ginkgo GP Fund II LLC in its capacity as the sole manager of the Company. The Company will be a "manager-managed" limited liability company, meaning that the Manager will have the sole and exclusive responsibility for day-to-day management and operation of the Company. Members will not be entitled to participate in management of the Company except under very limited circumstances. It is anticipated that the Manager will serve in such capacity throughout the life of the Company. The Manager is not elected on an annual basis.

"***Property***" refers to the 483-unit apartment community known as "Edgewater Village Apartments" located in Greensboro, Guilford County, North Carolina, to be acquired by the Investment Company as described in this Summary.

"***Unit***" refers to the shares, in increments of $10,000, into which Membership Interests in the Company are divided. Units are designated as **"Class A-1 Units", "Class A-2 Units"** (collectively the Class A-1 Units and Class A-2 Units are the **"Class A Units"**) and **"Class B Units"**. There will be a total of 1,660 Units: 1,494 Units representing the Class A Interest (divided into 800 Class A-1 Units and 694 Class A-2 Units) and 166 Units representing the Class B Interest.

## DESCRIPTION OF THE PROPERTY

**Description of the Property**.

The Property consists of 483 studio, one- and two-bedroom flat style apartment units located at 5500 Weslo Willow Circle, in Greensboro, North Carolina. The property includes 21 three-story apartment buildings constructed in two phases in 1974 and 1979. The property also has a one-story clubhouse/leasing office building and a storage/maintenance shed. All buildings are of wood frame construction on concrete slab foundations, with a mix of masonry brick and vinyl siding exteriors and pitched asphalt shingle roofs. Each building is served by enclosed staircases.

The unit mix and square footages of the Property break down as follows:

| No. Units | Description | Square Feet | Net Rentable Square Feet |
|---|---|---|---|
| 11 | Studio | 478 | 5,258 |
| 10 | Studio | 525 | 5,250 |
| 110 | 1BR/1BA | 618 | 67,980 |
| 100 | 1BR/1BA | 682 | 68,200 |
| 132 | 2BR/1BA | 800 | 105,600 |
| 120 | 2BR/1BA | 892 | 107,040 |
| 483 | Average/Total | 744 | 359,328 |

All units in the Property include customary kitchen appliances (refrigerator, electric ranges, range hoods, dishwasher and garbage disposal), and washer and dryer connections. Each unit is served by individual, ground mounted, electric heating and air conditioning systems. Flooring consists of vinyl wood-grain flooring in kitchen and bath areas, and carpeting in living rooms and bedrooms.

The Property has a clubhouse and leasing office with two outdoor swimming pools, a lounge/internet café area and exercise area. Other community amenities include sports courts, dog park, grilling/picnic areas and a series of five, interconnected ponds that provide a tranquil visual amenity for the property.

**Zoning**.

The Manager has reviewed a draft zoning report from AEI Consultants dated February 13, 2026 and revised March 4, 2026, which confirms the current zoning classification for the Property as RM-12 (Residential Multi-family District) under the City of Greensboro Zoning Ordinance, which allows for use as residential multifamily dwellings with up to 12 dwelling units per acre. The parcel comprising the Property contains 45.18 acres with 483 units, which is approximately 10.7 units per acre. The zoning report evaluates the property to be generally legally conforming, but is non-conforming with respect to yard setback requirements. Because the Property was constructed long before adoption of the current zoning ordinance in 2010, these deficiencies are considered pre-existing and legally non-conforming. Should any building that violates such setback requirements be damaged more than 50% of the pre-damaged tax value, that building would need to be reconstructed in accordance with the current ordinance requirements.

**Condition of Title**.

The Manager has obtained a title examination of the Property and will secure at closing an owner's policy of title insurance in favor of the Company. The Manager has also obtained a current as-built survey of the Property. The title insurance commitment, secured from First American Title Insurance Company, and the survey disclose no unusual encumbrances, restrictions or other liens that would materially and adversely affect the continued operation of the Property as currently operated. A copy of the title insurance commitment and the survey will be made available to any Investor upon request.

**Environmental**.

The Manager has reviewed a draft Phase I Environmental Site Assessment for the Property prepared by AEI Consultants dated February 13, 2026. That assessment did not identify any recognized environmental conditions, controlled recognized environmental conditions or historical recognized environmental conditions with respect to the Property.

The report did identify that, due to the age of construction of the Property, there is the possibility of the presence of asbestos containing materials (ACM) and lead-based paint (or LBP) in certain construction materials. No sampling or testing was conducted by the inspector to verify the existence of ACM or LBP. The consultant cited, however, that any such potential ACM or LBP appeared in good condition.

With respect to ACM, the Investment Company will implement an operations and maintenance (O&M) plan under which areas of potential ACM will be properly maintained, and in the event that any such areas should require disturbance in the future, proper testing will be performed to confirm the existence of ACM, and if present, and required remediation will be addressed at that time. Implementing such and O&M plan for ACM is standard practice in the apartment industry for building of this age.

With respect to LBP, the possible presence of LBP only applies to those buildings at the Property that were constructed prior to 1978; the budlings constructed in 1979 were constructed after LBP was prohibited. The Investment Company intends to perform testing for LBP containing surfaces in the buildings constructed prior to 1978 following the Property acquisition closing. If such testing should confirm the existence of LBP at the Property, the Investment Company will likewise implement an O&M plan for the proper maintenance of these surfaces.

The consultant also noted that several units in the Property exhibited areas of suspect mold growth. The Investment Company will investigate all such areas after acquisition and ensure that all necessary repairs are completed to correct any areas of possible moisture intrusion. The Investment Company will also adopt a mold/moisture plan to monitor for and correct areas of water intrusion at the Property.

A copy of the environmental assessment will be made available to any Investor upon request.

**Property Condition**.

The Manager has reviewed a draft Property Condition Assessment for the Property prepared by AEI Consultants dated February 17, 2026. That assessment concluded that the improvements at the Property were in overall good condition for the age and usage. The consultant identified various minor items requiring immediate repair, totaling an estimated $64,500 in cost. The proposed capital plan discussed below in the section titled "Property Renovations" contemplates these repairs. A copy of the current assessment will be made available to any Investor upon request.

**Appraisal**.

The Lender has commissioned an appraisal for the Property but has not shared such appraisal with the Company as of the date of this Summary. The Company is not obtaining its own appraisal of the Property. The Manager believes the Lender's appraisal will reflect a fair market value for the Property commensurate with the purchase price being paid for the Property pursuant to the Acquisition Contract. The Manager, based on its experience, believes the price for the Property under the Acquisition Contract reflects the market value for the Property.

**Illustrative Information**.

Attached to this Summary as **Exhibit A** are location maps reflecting the location of the Property in the Greensboro, North Carolina area and the larger Greensboro metropolitan area. Attached as **Exhibit B** is a site plan of the Property. Representative pictures of the Property's grounds, building exteriors and unit interiors are included in **Exhibit C**.

**Acquisition of the Property**.

Ginkgo OP entered into the Acquisition Contract to acquire the Property. The Acquisition Contract has been assigned by Ginkgo OP to the Investment Company. The Acquisition Contract provides for a total purchase price for the Property of $38,750,000. Earnest money deposits totaling $700,000 have been paid by Ginkgo OP pursuant to the Acquisition Contract, which became nonrefundable upon expiration of the due diligence period and will be applicable towards the purchase price at closing. All deposits will be repaid to Ginkgo OP at the acquisition closing. The outside closing date under the Acquisition Contract is April 30, 2026. The Acquisition Contract calls for customary closing prorations between the purchaser and the seller. A copy of the Acquisition Contract will be made available to any Investor upon request.

The Investment Company will pay to GinRes an acquisition fee of $484,375 (equal to 1.25% of the purchase price under the Acquisition Contract) in connection with services provided in identifying and securing the purchase of the Property and performing various due diligence services in connection with the acquisition of the Property. In addition, the Investment Company will likewise reimburse Ginkgo OP and GinRes (or any of their affiliates and agents) for advances of pre-closing expenses with respect to the acquisition of the Property and obtaining the Loan from Lender. Such reimbursements may be paid as part of, or following, the acquisition closing.

**Operation of the Property**.

Upon acquisition of the Property, the Investment Company intends to operate, manage and lease the Property to provide cash flow for the Company and its Members.

Based upon projected rental revenue and expenses, the Manager anticipates net cash flow before debt service, capital improvements and capitalized expenses from the Property during the first 12 months as follows:

| | |
|---|---|
| Total Property Revenues | $5,572,184 |
| Property Operating expenses | ($3,010,911) |
| Net operating income | $2,561,273 |

The net operating income from the Property will be utilized to pay the debt service on the Loan, recurring capital expenditures for the Property beyond customary repairs and maintenance, as well as any

Company-level operating and administrative expenses (including, without limitation, preparation of annual tax filings and reporting and quarterly reporting to Investors). The Manager estimates a positive cash flow for the Property during the first 12 months as follows:

| | |
|---|---|
| NOI | $2,561,273 |
| Recurring capital expenditures | ($144,900) |
| Loan Debt Service | ($1,658,617) |
| Positive cash flow | $757,756 |

A forecast for the Property operations is attached as **Exhibit D**. Investors must note, however, that the projection above and shown in Exhibit D is only an estimate. The anticipated level of rental income may not be achieved, and operating expenses and capital expenditures may be higher than anticipated, particularly for those expenses that are outside the control of the Investment Company and/or the Company such as taxes, utilities, additional Lender required escrows and insurance expenses. Although the Manager believes that these projections are reasonable in light of its experience, no guarantee can be given that such results can be achieved.

## Property Renovations

Immediately following the closing of acquisition of the Property, the Investment Company intends to complete a significant capital plan at the Property that will include the following:

- Landscape Cleanup & Drainage Work
- Retaining Wall Replacements & Repairs
- Parking Lot & Sidewalk Repairs
- Roof Replacements
- Aluminum Wiring Remediation
- Amenity Upgrades & Additions
- Exterior Power Wash & Paint of Vertical Surfaces
- New Property Signage
- Plumbing Stabilization Project & Energy Conservation Project
- Privacy Patio Installations (Select Units)
- Selective Unit Interior Improvements
- Operational Improvements

The total estimated budget for the proposed capital plan is $6,350,000 (or $13,147 per apartment unit). This budget will be funded from equity raised from the Members in this Offering. The capital plan is expected to be completed during the initial 24-months after acquisition of the Property. The estimated renovation budget plan is attached as **Exhibit E**.

## PROPERTY TAX ABATEMENT AND STRUCTURING

The Investment Company is being structured to potentially take advantage of the property tax abatement offered under N.C.G.S. Section 105-278.6 (the "**Tax Abatement Statute**"). This statute provides an abatement of property taxes for non-profit organizations that provide housing for individuals or families with low or moderate incomes. The Investment Company will be structured in accordance with current caselaw interpretation of this statute.

The Investment Company will be managed by Lotus Housing LLC ("**Lotus**") which will be the 0.1% managing member of the Investment Company. The Company will be the 99.9% non-managing member in the Investment Company. The Investment Company is a North Carolina limited liability company newly organized for this transaction. The Articles of Organization of the Investment Company have been filed with the North Carolina Secretary of State, a copy of which are attached to this Summary as **Exhibit F**. Attached as **Exhibit G** to this Summary is the form of the operating agreement for the Investment Company to be entered into between the Company and Lotus. Pursuant to a Delegation Letter Agreement, the form of which is attached to this Summary as **Exhibit H**, Lotus will delegate to the Company the day-to-day duties of operating and managing the Company and the Property. The Tax Abatement Statute requires non-profit ownership to qualify for abatement, and this structure has been developed pursuant to judicial caselaw setting forth the non-profit ownership requirements under the Tax Abatement Statute.

Manager is structuring the ownership to potentially qualify for abatement under the Tax Abatement Statute because the existing rents at the Property are of a level that an estimated 50% of the Property would qualify as housing for low and moderate income individuals and families under the current income levels as established by the U.S. Department of Housing and Urban Development for the Greensboro, North Carolina metro area. To qualify for the abatement, the Investment Company must file an application with the Guilford County tax assessor setting forth the percentage of units at the property that rent to low and moderate income individuals and families. This application can only be filed in January, so January 2027 is the earliest that the Investment Company can apply for the abatement, with the 2027 tax year being the first potential year for abatement of any portion of real estate taxes for the Property.

There is no guaranty that the Investment Company will apply for or qualify for an abatement of real property taxes under the Tax Abatement Statute, nor if approved for qualification the amount of such abatement that may be achieved. Additionally, there is recent legislative proposals being formulated to revise the Tax Abatement Statute to make the requirements to qualify for the tax abatement far more stringent. Accordingly, the Manager has assumed there will be no real estate tax abatement in the forecast of operations for the Property in Exhibit D to this Summary. If any future tax abatement is ever achieved under the Tax Abatement Statute, that will only enhance the cash flows from the operations of the Property.

Lotus will be paid the following fees in connection with serving as the managing member of the Investment Company: (i) an intake fee of $10,000 to be paid upon execution of the Investment Company Agreement; (ii) a one-time participation fee of $20,000 to be paid upon the closing of the acquisition of the Property by the Investment Company; (iii) if and when a tax abatement application for the Property is approved by Guilford Country, a nonprofit entity fee of up to $6 per unit per month for the percentage of units at the Property qualifying for tax abatement; and (iv) a fee of $20,000 in connection with any future debt refinancing or disposition of the Property to be paid at the closing of such transaction.

Lotus is a wholly owned subsidiary of The Lotus Campaign, a 501(c)(3) non-profit organized for charitable purposes including the provision of decent, safe, sanitary and affordable housing for low and moderate income families and individuals. The Lotus Campaign was founded by Philip Payne and his wife Mary Ruth Payne to solve the problem of homelessness through partnerships with the private real estate

sector. Mr. Payne serves on the board of directors of Ginkgo REIT Inc, the sole general partner of Ginkgo OP, and was a former principal and owner of GinRes.

## SOURCES AND USES OF FUNDS

Below is an outline of the required capitalization of the Company and the anticipated sources and uses of those funds.

**Capital Required:**

| | |
|---|---|
| Purchase price of the Property | $38,750,000 |
| Acquisition Fee | $484,375 |
| Estimated Transaction & Closing Costs | $728,349 |
| Working Capital | $414,276 |
| Renovation Cost, Supervision, & Escrows | $6,350,000 |
| **Total Capital Required** | **$46,727,000** |

**Sources of Required Capital:**

| | |
|---|---|
| Company's Equity from this Offering | $16,600,000 |
| Initial Loan Advance | $30,127,000 |
| **Total Capitalization** | **$46,727,000** |

## TRANSACTIONS WITH AFFILIATES

• The Investment Company will engage GinRes as the property manager of the Property. GinRes is an affiliate of the Manager. GinRes will be paid a property management fee equal to the greater of three percent (3%) of the gross revenues received from the operations of the Property or $28 per unit, together with reimbursement for certain allocated expenses incurred by GinRes with respect to operating the Property. Additionally, in the event any capital improvement project, beyond customary maintenance, repairs and apartment turn activities, should be required, GinRes shall earn a construction management fee of six percent (6%) of the total cost of such project. The engagement will be for an initial term of three years and will renew annually thereafter. A form of the Property Management Agreement to be entered into by the Investment Company with GinRes is attached to this Summary in **Exhibit I**.

• As described above under "Acquisition of the Property," the Company will also pay GinRes an acquisition fee for its services in identifying and securing the acquisition of the Property. This fee will total $484,375 and will be due upon closing of the acquisition of the Property.

• The Company will also pay GinRes a financing placement fee of $150,270, which amount shall be paid solely by the Class A-2 and Class B Members. This fee will be deducted from future distributions by the Company payable to the Class A-2 and Class B Members, with each Class A-2 and Class B Member responsible for its share of the fee based on the Aggregate Percentage Interests of the Class A-2 and Class B Members.

• The Company will pay Manager a monthly fee for its services as manager of the Company, including without limitation, Member communications and reporting. This fee will be borne solely by the Class A Members, and the fee is different for the Class A-1 Member and the Class A-2 Members as follows:

(a) The fee paid by the Class A-1 Member will be in the amount of $720.28 per month.

(b) The fee paid by the Class A-2 Members will be equal to 0.125% per month (1.5% annually) multiplied by the Aggregate Capital Contributions of the Class A-2 Members (with each Class A-2 Member responsible for its share of the fee based on the Aggregate Capital Contributions of such Class A-2 Member).

Such fee amounts will be deducted from distributions payable to the Class A Members under the Operating Agreement. If there should not be sufficient available cash for distributions under the Operating Agreement adequate to fully pay such fee currently, the unpaid fee shall accrue and be paid to Manager as distributions are made to the Class A Members.

## FINANCING THE PROPERTY

The Investment Company will obtain a mortgage Loan to be secured by the Property. A copy of the term sheet from Lender is attached hereto as **Exhibit J**. The basic terms of this Loan are as follows:

- Borrower: The Investment Company will be the borrower under the Loan.
- Lender: Colliers Mortgage LLC, as delegated underwriter and servicer for the Federal National Mortgage Agency ("Fannie Mae")
- Amount: The principal amount of the Loan is expected to be $30,127,000.
- Term: The Loan will have a term of 5 years.
- Interest Rate: A fixed rate estimated at 5.35%, subject to changes in market conditions until rate lock. Interest will be calculated using the customary "actual/360" method, which calculates interest using the actual number of days in each month divided by 360.
- Collateral: The Property will be subject to a first lien deed of trust that secures the Loan.
- Payments: Monthly payments of interest only will be due during the initial 3-years of the loan term, then payments of principal and interest will be required based on 30-year amortization period.
- Recourse: The Loan is a "non-recourse" loan, meaning Lender's sole recourse in the event of a default will be to realize upon the collateral securing the loan and the Investment Company shall not be liable to Lender in the event that the value of the collateral is insufficient to fully repay the loan. However, the Investment Company will be personally liable to Lender with respect to customary "recourse exceptions" relating to losses incurred by Lender from and after the date of its acquisition of the Property because of fraud or other improper conduct by the Investment Company or the adverse impact of environmental conditions on the Property. The Investment Company will also be liable for the entire loan amount in the event that (i) the Investment Company shall transfer any part of the Property in violation of the loan documents, (ii) the Investment Company shall acquire any other property (other than the Property) or engage in any other business or (iii) the Investment Company shall file or consent to the filing of a bankruptcy petition.
- Guaranty: Ginkgo OP will personally guarantee to Lender the liability under the exceptions to non-recourse liability.
- Prepayment: During the first 4.5 years of the loan term, the Loan may be prepaid prior to maturity upon payment of a prepayment premium equal to the greater of (i) 1% of the outstanding balance of the loan at the time of prepayment or (ii) an amount determined under a "yield maintenance" calculation which determines the amount which, if invested by Lender on the date of prepayment at the same rate as the interest rate on the loan, would generate the same income to Lender as if the loan had not been prepaid. Thereafter for the next 3 months, the Loan may repaid upon payment of a 1% prepayment premium. The Loan may be prepaid without any premium or penalty during the final 3 months of the loan term.

Investors should note that the monthly debt service payments under the Loan will not be sufficient to repay the Loan in full at maturity. The term of the Loan is for 5 years, while the monthly debt service payments are determined on an assumed amortization schedule of 30 years (and the first three years of the loan term are interest only). This results in lower monthly payments by the Investment Company during the term of the Loan (thereby providing greater net cash flow), but results in a significant outstanding principal balance (a so-called "balloon payment") at the time of maturity. In order to make such balloon payment to Lender at maturity of the Loan, the Investment Company will be required to refinance such amount, and no guaranty can be made at this time as to the availability of such financing or the possible terms thereof. If a refinance of the Loan is not available, the Investment Company could be forced to sell the Property in order to pay the Loan at maturity.

## DESCRIPTION OF THE COMPANY

The Company is a newly organized North Carolina limited liability company. The Articles of Organization of the Company have been filed with the North Carolina Secretary of State and are attached to this Summary in **Exhibit K**.

**Advantages of a Limited Liability Company**.

A limited liability company is a common legal structure for real estate ventures. Prior to the enactment of legislation authorizing the formation of limited liability companies, the primary entity used in real estate development was a partnership. The advantage of doing business in partnership form was that the partnership was not a separate taxable entity but was rather a pass-through entity for federal income tax purposes. Investors investing in a real estate partnership thus only faced one level of taxation, thereby avoiding the double layer of taxation that generally results from doing business in the corporate form. The primary disadvantage of the general partnership is the unlimited liability of each of the partners. Limited liability companies are a response to the desire of investors to be subject to only one level of taxation (as in a partnership) but with the investors' liability strictly limited to their capital investment (as in the case of a corporation).

The three major advantages of a limited liability company, as compared to an ordinary corporation, are:

- No double taxation: A limited liability company generally is treated for federal income tax purposes as a partnership so that no taxes are payable at the limited liability company level, but only at the individual investor level.

- Flexible Ownership: Like a partnership, a significant amount of flexibility is available in making disproportionate allocations of net cash flow, income, gain, loss and other tax attributes.

- Limited Liability: An investor in a limited liability company has at risk only his capital investment in the company. There is no personal liability beyond the investment in the limited liability company.

The Company, as a limited liability company, will afford the Investors the principle attributes of a limited liability company including a pass-through of the federal income tax consequences (thereby avoiding the double layer of taxation) and a limitation on liability to each Investors' capital investment in the Company.

A limited liability company is governed by its operating agreement. The operating agreement of the Company (the "**Operating Agreement**") is attached hereto as **Exhibit L**. The Operating Agreement corresponds to the bylaws adopted by a conventional business corporation or the partnership agreement of a partnership.

**Management of the Company**.

An Investor becomes a member in the limited liability company upon making his or her capital contribution to the Company. There are two types of limited liability companies. A "member-managed" limited liability company is one in which each member (that is, each investor) participates in the management of the business and affairs of the enterprise. A "manager-managed" limited liability company designates one or more persons (who may or may not be members or investors) as managers and vests in

those persons the exclusive right to make all management decisions affecting the business or enterprise. A member corresponds to a "stockholder" in a conventional business corporation or a "partner" in a partnership.

The Company will be a "manager-managed" limited liability company, managed by the Manager. The Manager will not be elected on an annual basis. The Manager may be removed only for cause (as defined in the Operating Agreement) and by a vote of a Super Majority-in-Interest of the Members (defined in the Operating Agreement as Members holding 65% or more of the Units in the Company).

Pursuant to the Operating Agreement, the Company will be managed by the Manager, which shall have full and complete authority, power and discretion to manage and control the day-to-day affairs of the Company except as to "**Major Decisions**" as set forth in the Operating Agreement, which shall require a vote of a Super Majority-in-Interest of the Members. The following are the Major Decisions under the Operating Agreement:

***(i)*** ***Liabilities***. Incur indebtedness on behalf of the Company, other than (i) normal and customary unsecured trade payables incurred in the ordinary course of the operation of the Property, (ii) regularly scheduled principal payments on indebtedness Approved in accordance herewith and (iii) one (1) supplemental loan during the term of the loan Approved in Schedule D hereto from the same lender at then current market interest rates for such supplemental loans and in an amount up to the maximum permitted under such lender's supplemental loan program terms;

***(ii)*** ***Real Property Acquisitions***. Other than the Property (which, for the avoidance of doubt, shall include residential leases for apartments in the Property entered into by or on behalf of the Company in the ordinary course of business), the purchase, lease, acquire or improve real property of any kind or nature, or purchase, lease or acquire any additional interest therein, by or for the Company;

***(iii)*** ***Sell the Company Assets***. Sell or otherwise dispose of all, or substantially all, of the Company Assets;

***(iv)*** ***Issuance of Additional Equity Securities; Capital Calls***. Issue or sell additional Units or other membership interests in the Company or have the Company make a call for additional Capital Contributions (excluding funding of the initial Capital Contributions in accordance with Section 2.2 of the Operating Agreement);

***(v)*** ***Other Organizations***. Other than the Investment Company, acquire for or on behalf of the Company any equity securities or other securities in any Organization, including investing or otherwise participating in any partnership, joint venture, corporation, limited liability company or other association, of any kind;

***(vi)*** ***Mergers and other Reorganizations; Liquidations***. Merge or consolidate the Company with or into another entity or enter into any Unit or Interest exchange (or equivalent thereof) between the Members and another Person(s) (including any combination with, or other conversion to, a corporation);

***(vii)*** ***Redemptions***. Redeem or otherwise purchase or liquidate all or part of a Member's Interest;

***(viii) Voluntary Bankruptcy***. Take any action that would cause the voluntary bankruptcy of the Company;

***(ix) Change the Entity Character of the Company***. Convert or reorganize the Company into another entity form (including a corporation) or maintain the Company's status as a limited liability company but cause it to be taxed as a corporation for federal income tax purposes;

***(x) Termination of Company***. Dissolve, liquidate, wind up or terminate the Company (or the business or affairs thereof);

***(xi) Interested Transactions***. Except as expressly provided in the Operating Agreement, enter into any material contract or transaction with any Member, Assignee or Manager (or any Affiliate or relative of a Member, Assignee or Manager);

***(xii) Subject Members to Personal Liability***. Knowingly perform any act that would subject the Members to liability in their capacities as Members;

***(xiii) Conduct or Engage in Other Businesses***. Conduct or engage in any business or activity that is not related or incidental to, or consistent with, the Company's business and the management and administration of the Company as contemplated by this Agreement;

***(xiv) Amendments***. Amend or otherwise modify the Operating Agreement;

***(xv) Investment Company Approvals***. Approval by the Company of any "major decision" under the terms of the Investment Company Agreement; and

***(xvi) Agree to Act***. Agree to do any of the things that are described in this Section 6.2(c).

**Capital Contributions**.

Payment by Investors of the subscription price for each Unit of Membership Interests purchased pursuant to this Offering will serve as the capital contribution by the Investors to the Company. Payment by the Manager of the price for the Class B Interest will serve as the capital contribution by the Class B Member to the Company.

Each Member will pay the subscription price in two installments: (i) 82% of each Member's subscription price will be paid in conjunction with execution of the Subscription Agreement and (ii) the remaining 18% of each Member's subscription price will be paid within 10 business days after notice from Manager that such second contribution is due to the Company, which notice shall be provided by Manger to the Members no later than December 31, 2026.

The Members will not be subject to any capital call for additional contributions to the Company beyond the subscription price for their Units as set forth above. The Operating Agreement, however, will provide that should the Manager determine that additional funds are required to fund any shortfalls from the operations of the Company, the Manager will request that an additional capital contribution be approved by the Members, which approval shall require the affirmative vote of a Super Majority-in-Interest of the

Members. If so approved, all Members will be required to make additional capital contributions in the pro rata share in accordance with their respective Membership Interests in the Company.

**Economic Allocations and Distributions**.

The Operating Agreement of the Company sets forth the allocation of income, net cash flow, loss, deduction and credits of the Company. Under the terms of the Operating Agreement, the net cash flow (also referred to as "**Available Cash**") of the Company from operations, after payment of (i) all costs and expenses of operation, (ii) all scheduled debt service, and (iii) necessary and appropriate reserves as determined by the Manager, is to be allocated and distributed, at such times and in such amounts as determined by the Manager, as follows:

(a) First, to all Members (Class A and Class B) on a pro rata basis until each Member has received aggregate distributions equal to its invested capital;

(b) Next, to all Members (Class A and Class B) on a pro rata basis until each Class A Member has received aggregate distributions equating to an internal rate of return on their invested capital of 10%;

(c) Next, until each Class A Member has received aggregate distributions equating to an internal rate of return on its invested capital of 14%, (i) 83.333% to all Members (Class A and Class B) on a pro rata basis and (ii) 16.667% to the Class B Member; and

(d) Thereafter, (i) 66.667% to all Members (Class A and Class B) on a pro rata basis and (ii) 33.333% to the Class B Member.

Net income and net loss as determined for federal income tax purposes will be allocated to the Members in accordance with the provisions of Section 704 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. The regulations dealing with the allocation of income and losses for tax purposes are extremely complex.

**INVESTORS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY. INVESTMENTS IN REAL ESTATE VENTURES INVOLVE A NUMBER OF COMPLEX TAX RULES AND REGULATIONS AND THE TAX CONSEQUENCES OF AN INVESTMENT WILL IN MANY CASES DEPEND UPON THE INDIVIDUAL TAX CIRCUMSTANCES OF AN INVESTOR. YOU MUST CONSULT WITH YOUR OWN TAX ADVISORS.**

**Transferability Of a Member's Interest in the Company**.

All Investors will be required to represent that the Interests being acquired by them are being acquired for their own account for investment and not with a view to distribution. Membership Interests may not be sold, transferred or otherwise disposed of by any Investor and must, therefore, be held indefinitely unless they are hereafter registered under the Securities Act of 1933 or, in the opinion of counsel satisfactory to the Company and its counsel, an exemption from registration under the Securities Act of 1933 is available.

The Operating Agreement further imposes restrictions on the transferability of a Member's Interest in the Company. Any Member desiring to transfer any part of his or her Interests in the Company must

first secure approval of both the Manager and a Super Majority-in-Interest of the Members, which approval may be granted or denied in the sole discretion of the Manager and each Member.

**The Manager**.

Investors will be relying upon the business experience and expertise of the Manager. The Manager is a Delaware limited liability company that is in turn managed by Ginkgo OP, whose sole general partner is Ginkgo REIT Inc., a Maryland corporation ("**GRT**"). Eric S. Rohm and William C. Green serve as the Co-CEOs of GRT. Messrs. Rohm and Green are also the owners and principal executives of GinRes, which is the external advisor for GRT. GinRes is a fully integrated multifamily operating and management company that specializes in operating middle-market apartment communities in the South, Southeast and Mid-Atlantic regions. GinRes currently has approximately 9,600 units under management in the Carolinas. The management team, headed by Messrs. Rohm and Green, is comprised of experienced real estate professionals, the majority of whom have worked together for nearly 20 years. Information regarding the experience and expertise of the management team is included in **Exhibit M** to this Summary.

**Duration of the Company.**

The Company will dissolve upon the occurrence of the following events: (i) the approval of a Super Majority-in-Interest of the Members; (ii) the sale or other transfer of all or substantially all of the Company's assets; or the (iii) the cessation of membership (within the meaning of section 57D-3-02 of the Act) of all of the Members. Upon the occurrence of any such dissolution events, the Company shall continue solely for the purpose of winding down its affairs (liquidating its assets and settling its liabilities with creditors).

**Side Agreements.**

In accordance with common industry practice, the Manager may enter into one or more "side letters" or similar agreements with certain Members pursuant to which the Manager grants to such Members specific rights, benefits or privileges that are not made available to Members generally. Such agreements will be disclosed only to those actual or potential Members that have separately negotiated with the Manager for the right to review such agreements. Except to the extent permitted by the Company's LLC Agreement, the Manager will have no authority to enter into side letters or similar agreements that are substantially and materially detrimental to the Company or its Members.

**POTENTIAL INVESTORS ARE URGED TO READ THE OPERATING AGREEMENT CLOSELY AND IN ITS ENTIRETY. THE OPERATING AGREEMENT WILL GOVERN THE BUSINESS AND AFFAIRS OF THE COMPANY.**

## CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS

*The Interests are speculative and illiquid securities involving substantial risk of loss and are suitable for investment only by sophisticated persons who fully understand and are capable of assuming the risks of an investment in the Company. The following considerations, which do not purport to be a complete list of all risks involved in an investment in the Company, should be carefully evaluated before investing in the Company.*

### General

An investment in the Company is speculative and entails substantial risks. Prospective investors should carefully consider, among other factors, the risks described below, each of which could have an adverse effect on the value of their Interests in the Company. As a result of these risk factors, among other risks not enumerated herein, there can be no assurance that the Company will meet its investment objective. The Company's returns may be unpredictable and, accordingly, an investment in the Company's is not suitable as the sole investment for an investor. An investor should only invest in the Company as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment. Although the Manager believes that substantial returns can be achieved by investing in the Company, there can be no assurance that the Company will achieve its investment objective, and an investor in the Company must be prepared to bear losses which might result from an investment in the Company.

### Risks of Real Estate Investments Generally

There can be no assurance that the operations of the Company or its property will be profitable or that cash from operations will be available for distribution to investors. Because real estate, like many other types of long-term investments, historically has experienced significant fluctuations and cycles in value, specific market conditions may result in occasional or permanent reductions in the value of real property interests. The marketability and value of the real property interests owned by the Company will depend on many factors beyond the control of the Company or the Manager, including, without limitation: (a) changes in general or local economic conditions; (b) changes in supply of or demand for competing properties in an area (e.g., as a result of over-building); (c) changes in interest rates; (d) the promulgation and enforcement of governmental regulations relating to land-use and zoning restrictions, environmental protection and occupational safety; (e) unavailability of mortgage funds, which may render the sale of a property difficult; (f) the financial condition of tenants, buyers and sellers of properties; (g) changes in real estate tax rates and other operating expenses; (h) the imposition of rent controls; and (i) acts of God, natural disasters and uninsurable losses. Since investments in real estate generally are not liquid, there can be no assurance that there will be a ready market for the property held by the Company. In addition, general economic conditions in the United States and abroad, as well as conditions of domestic and international financial markets, may adversely affect the Company's property.

### Real Estate Related Regulatory Risks

Real estate investments are subject to various forms of regulation, including building codes, regulations pertaining to fire safety and handicapped access, regulations relating to the rights of tenants and renters, and other regulations, which currently exist or may from time to time be enacted. The Company's return may be affected by significant costs required to comply with such regulations or any future changes in or additions to such regulations.

**Potential Environmental Liability**

Under various federal, state and local laws, ordinances and regulations, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws often impose such liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner's liability therefore as to any property are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, may adversely affect the owner's ability to sell the real estate or to borrow using such property as collateral. The costs associated with compliance with or the liability resulting from the foregoing may adversely affect the returns of the Company.

**Risks that the Company's Investments Will Fail to Meet Expectations**

There can be no assurance that the Company's investment will perform as expected. Estimates of future income, expenses and capital expenditures may prove to be inadequate. In addition, the Company expects to finance its investment in part with debt financing, and there is a risk that the cash flow from the Company's investments will be insufficient to meet debt payment obligations.

**No Market for Membership Interests**

Because there is no right to redeem the Interests and the Interests are not freely transferable, an investment in the Company is illiquid and involves a high degree of risk. Irrespective of the success or failure of the Company's investment, the investors' inability to withdraw from the Company materially increases the risk of an investment in the Interests because it is not possible to redeem Interests in order to recognize profits or mitigate losses before such profits may have been eliminated or such losses significantly accelerated.

**Absence of Regulatory Oversight**

The Company is not a registered investment company under the Investment Company act of 1940, as amended, the Manager is not registered as an investment advisor under the Investment Advisors Act of 1940, as amended, on any similar statute of any State, and the Interests (and the offering of the same pursuant to this Memorandum) are not registered under the Securities Act or the securities laws of any State. As a result, investors in the Company will not be afforded the protections and benefits they would have been afforded had the Company been a registered investment company, had the manager been a registered investment advisor and had the Interests been registered under the Securities Act or any comparable State laws.

**Distributions to Members and Payment of Tax Liability**

Although the Manager intends that the Company will make regular distributions to the investors, there is no guaranty that the Company will have sufficient funds available to make any such distributions. Whether or not distributions are made, investors will be required each year to pay applicable Federal and state income taxes on their respective shares of the Company's taxable income and will have to pay applicable taxes from other sources. If the Company does not have sufficient cash available to pay distributions to the investors, the investors will have to cover the payment of their tax liabilities from other sources.

**Reliance on the Manager and its Officers**

The Manager's ability to successfully manage the Company's affairs depends to a large extent on its officers. The Company will be relying extensively on the experience, relationships and expertise of the officers of the Manager. There can be no assurance that these individuals will remain in the employ of the

Manager or otherwise continue to be able to carry on their current duties or provide services to the Company. Although the officers of the Manager intend to devote a portion of their professional time to the Company, they will have substantial responsibilities outside of the management of the Company. Although the Manager and its officers have had significant experience in the real estate business in general and in structuring and negotiating real estate acquisitions, developments, re-developments, financings, and dispositions in particular, the past performance of these activities is not necessarily indicative of the future results of the Company's investment.

**Limitation of Recourse and Indemnification of Manager**

The Operating Agreement limits the circumstances under which the Manager and it agents, officers, directors, partners, employees, members, managers, advisers or consultants will be held liable to the Company. As a result, investors may have a more limited right of action in certain cases than they would have in the absence of this limitation. In addition, the Operating Agreement provides that the Company will indemnify the Manager and its agents, officers, directors, partners, employees, members, managers, advisers and consultants for certain claims, losses, damages and expenses arising out of their activities on behalf of the Company. Such indemnification obligations could materially affect the returns to investors.

**Liability for Return of Distributions**

If the Company is otherwise unable to meet its obligations, the investors may, under applicable law, be obligated to return cash distributions with interest previously received by them if such distributions are deemed to be a wrongful payment to them. In addition, an investor may be liable under applicable federal or state bankruptcy laws to return distributions if the Company is insolvent.

**Legal Counsel**

K&L Gates LLP and Troutman Sanders LLP have served as counsel to the Manager and the Company in connection with the organization of the Company. Such counsel has not been engaged to protect the interests of other investors. Investors should consult with and rely upon their own counsel concerning investments in the Company.

**Tax Considerations**

Income and losses generated by the Property and allocated to the Members will likely be treated as passive income and passive losses. Investors investing in the Company should not view their investment as a tax shelter, and the Company does not intend to register as a tax shelter with the Internal Revenue Service. As such, the deductibility of net losses allocated to Members will be severely limited. In addition, certain expenses relating to the organization of the Company and this Offering of the Class A Interests will not be deductible or amortizable by the Company or the Members.

**EACH INVESTOR SHOULD CONSULT HIS OR HER OWN TAX ADVISOR AS TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.**

## INVESTOR QUALIFICATIONS

Because of the investment's various attributes and risks, this Offering will be made only to Investors who have the financial ability to bear the risks associated with this investment and who are of adequate financial means and have no need for liquidity in this investment. An investment in the Company will be limited only to "Accredited Investors."

Accredited Investors are various individuals and institutional investors who, due to their financial position, experience or nature are not considered by the Securities and Exchange Commission to need the full protection of the registration requirements of the Securities Act of 1933. Two examples of Accredited Investors are (1) an individual who has a net worth (combined with that of his spouse) of not less than $1,000,000 or (2) an individual who has income for the previous two taxable years from all sources of not less than $200,000 in each year (or joint income with that person's spouse in excess of $300,000 in each of those years) and has a reasonable expectation of reaching the same income level during the current year.

The investment interests offered hereby will not be registered under the Securities Act of 1933. The investment interests in the Company will be offered in compliance with applicable state securities laws and pursuant to an exemption from federal registration under Section 4(2) of the Securities Act of 1933 and pursuant to Rule 506 of Regulation D as promulgated under Section 4(2) of that Act to limit the number of offerees able to bear the economic risks thereof with each of such offerees (or his personal representative) to the extent required by applicable law possessing a level of expertise, knowledge and sophistication in matters such as those described herein so as to make intelligently and knowingly a proper economic decision relative to the acquisition of interests in the Company. **AN INVESTMENT INTEREST IN THE COMPANY WILL BE OFFERED AND SOLD ONLY TO ACCREDITED INVESTORS.**

All Investors will be required to represent that the investment interests being acquired by them are being acquired for their own account for investment and not with a view to distribution. The investment interests may not be sold, transferred or otherwise disposed of by an Investor and must, therefore, be held indefinitely unless they are hereafter registered under the Securities Act of 1933 or, in the opinion of counsel satisfactory to the Company and its counsel, an exemption from registration under said Act is available.

## SUBSCRIPTION FOR INVESTORS' INTERESTS IN THE COMPANY

Each Investor subscribes for his or her investment by executing the Subscription Agreement associated with this Summary. The Company prefers that Subscription Agreements be completed and signed electronically. Investors wanting to subscribe for Interests can access the Subscription Agreement by contacting the Company using the contact information below.

**By executing the Subscription Agreement, Investors will be deemed to have approved and adopted the Operating Agreement.** Completed Subscription Agreements along with payment for the full amount of the Investor's subscription subject to the Minimum Investment), either by check made payable to the Company or via wire transfer, should be delivered to the Manager. **All subscription documents and monies will be held in escrow until the Offering is closed.**

All subscriptions for Membership Interests in the Company are subject to acceptance by the Manager of the Company. The Manager is not obligated to accept any subscription and may reject any subscription for any reason.

## ADDITIONAL INFORMATION

Attached to this Summary are various Exhibits pertaining to the Company, the Property and related matters.

Prospective Investors may secure copies of any pertinent documents from the Manager not included herewith including, without limitation, an appraisal of the Property, an environmental report, title insurance commitment, and information concerning the experience and expertise of the Manager of the Company.

The Company will also make available to each prospective investor the opportunity to ask questions and receive answers concerning the terms and conditions of this Offering and to obtain any additional information which the Company possesses and can acquire without unreasonable effort or expense and which is necessary to verify the accuracy of the information provided in this Summary. Persons requesting such information should communicate with:

Investor Relations
200 S College Street, Suite 200
Charlotte, NC 28202
704-944-0100 - phone
investors@ginkgomail.com - email

## INVESTMENT SUMMARY EXHIBITS

Please use the following link to access an online folder containing each of the Exhibits referenced in this Summary:

**Press Here to Link to Investment Summary Exhibits**