SUPPLEMENT NO. 2 DATED AUGUST 10, 2021 TO THE SECOND AMENDED AND RESTATED PRIVATE PLACEMENT MEMORANDUM DATED APRIL 30, 2020 OF

CALIBER FIXED INCOME FUND III LP

Offering of Class A Limited Partner Units

Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "Company"), provides the information contained in this Supplement No. 2 dated August 10, 2021 (this "Supplement") to the Second Amended and Restated Private Placement Memorandum dated April 30, 2020 (the "Memorandum") to amend, modify and supplement certain information contained in the Memorandum.

Notice to Prospective Investors

Except to the extent updated or modified in this Supplement, the information disclosed in the Memorandum remains in effect. This Supplement should be read only in conjunction with, and is qualified in its entirety by, the information contained in the Memorandum, and all capitalized terms in this Supplement will have the meanings set forth in the Memorandum, unless provided otherwise herein. To fully understand the business of the Company and the terms of the Offering, you should carefully read the entire Memorandum, including the exhibits, and this Supplement, before making any decision whether to invest. The Memorandum and the exhibits attached thereto are hereby incorporated by reference. Any statement contained in the Memorandum or the exhibits thereto, and incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Supplement to the extent that a statement contained herein modifies or supersedes such statement in the Memorandum. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Supplement.

Neither the SEC, any applicable state or other jurisdiction's securities commission, nor any other regulatory authority has passed upon the accuracy or adequacy of this Supplement or the Memorandum or endorsed the merits of the Offering. Any representation to the contrary is a criminal offense.

Neither this Supplement nor the Memorandum shall constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of Units in any jurisdiction in which such offer, solicitation or sale is not authorized or to any person to whom it is unlawful to make such offer, solicitation or sale.

Statements in this Supplement are made as of the date hereof unless stated otherwise and neither the delivery of this Supplement or the Memorandum at any time, nor any sale thereunder, shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to its date.

This Supplement and the Memorandum have been prepared solely for the benefit of prospective Investors in the Units. This Supplement does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Units. Distribution of this Supplement or the Memorandum to any person other than the named prospective Investor to whom this Supplement is provided is unauthorized, and any reproduction of this Supplement or the Memorandum (or the exhibits thereto) or related documents in whole or in part is prohibited. By accepting delivery of this Supplement, the prospective Investor agrees to promptly return this Supplement and any other documents or information furnished by the Company or its representatives if the prospective Investor does not purchase any of the Units or if the Offering is terminated by the Company.

MODIFIED INFORMATION

Removal of Comparison Chart on Page 25 of the Memorandum

The management fees comparison chart titled "Model: Comparison of an Example 'Caliber' Fund/Offering to an Example Non-Traded REIT" contained on page 25 of the Memorandum has been removed.

Modification of "Vertical Integration" Section

The subsection titled "Vertical Integration" beginning on page 24 of the Memorandum is hereby modified to remove all text except for the first paragraph. The three paragraphs beginning "Compared to non-traded REITs . . ." on page 24, "The chart above reflects an estimate . . ." on page 25, and "For Caliber, as an alternative example . . ." on page 25 have been removed. The entirety of the Vertical Integration subsection now reads as follows:

> *Vertical Integration*
>
> While Caliber's business model is in part analogous to that of a financial asset manager, our model is built on a full-service approach. We have complemented traditional asset management functions with construction, property management, and deal expertise that we believe creates a competitive advantage against other traditional asset managers' models. We have a hands-on approach to real estate investing and possess the local expertise in asset management, leasing, construction management, development and investment sales, which we believe enable us to invest successfully in select submarkets.

Frequently Asked Questions

Within the Frequently Asked Questions section on page 2 of the Memorandum, the question, "What's the difference between this Fund and a REIT or Non-traded REIT?" and its corresponding answer are hereby removed from the Memorandum. Footnote 2, contained within the answer to the preceding question, is similarly removed.

SUPPLEMENT NO. 1 DATED JANUARY 16, 2021 TO THE SECOND AMENDED AND RESTATED PRIVATE PLACEMENT MEMORANDUM DATED APRIL 30, 2020 OF

CALIBER FIXED INCOME FUND III LP

Offering of Class A Limited Partner Units

Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "Company"), provides the information contained in this Supplement No. 1 dated January 16, 2021 (this "Supplement") to the Second Amended and Restated Private Placement Memorandum dated April 30, 2020 (the "Memorandum") to amend, modify and supplement certain information contained in the Memorandum.

Notice to Prospective Investors

Except to the extent updated or modified in this Supplement, the information disclosed in the Memorandum remains in effect. This Supplement should be read only in conjunction with, and is qualified in its entirety by, the information contained in the Memorandum, and all capitalized terms in this Supplement will have the meanings set forth in the Memorandum, unless provided otherwise herein. To fully understand the business of the Company and the terms of the Offering, you should carefully read the entire Memorandum, including the exhibits, and this Supplement, before making any decision whether to invest. The Memorandum and the exhibits attached thereto are hereby incorporated by reference. Any statement contained in the Memorandum or the exhibits thereto, and incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Supplement to the extent that a statement contained herein modifies or supersedes such statement in the Memorandum. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Supplement.

Neither the SEC, any applicable state or other jurisdiction's securities commission, nor any other regulatory authority has passed upon the accuracy or adequacy of this Supplement or the Memorandum or endorsed the merits of the Offering. Any representation to the contrary is a criminal offense.

Neither this Supplement nor the Memorandum shall constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of Units in any jurisdiction in which such offer, solicitation or sale is not authorized or to any person to whom it is unlawful to make such offer, solicitation or sale.

Statements in this Supplement are made as of the date hereof unless stated otherwise and neither the delivery of this Supplement or the Memorandum at any time, nor any sale thereunder, shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to its date.

This Supplement and the Memorandum have been prepared solely for the benefit of prospective Investors in the Units. This Supplement does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Units. Distribution of this Supplement or the Memorandum to any person other than the named prospective Investor to whom this Supplement is provided is unauthorized, and any reproduction of this Supplement or the Memorandum (or the exhibits thereto) or related documents in whole or in part is prohibited. By accepting delivery of this Supplement, the prospective Investor agrees to promptly return this Supplement and any other documents or information furnished by the Company or its representatives if the prospective Investor does not purchase any of the Units or if the Offering is terminated by the Company.

MODIFIED INFORMATION

Replacement Broker Dealer

The Company has engaged a new broker-dealer[1], Tobin & Company Securities LLC, with such new broker-dealer of the Company replacing the previous broker-dealer that had been engaged by the Company to assist with the placement of the interests offered under the Memorandum. The second full paragraph on page five of the cover letter of the Memorandum and the first full paragraph within the Section labeled "The Offering" on page 16 of the Memorandum are hereby updated with the following information:

> *The Units are offered through Tobin & Company Securities LLC, a registered broker/dealer and member FINRA/SIPC (the "Managing Broker"). Upon receipt of the executed acceptance of the Subscription Agreement (the "Subscription Agreement"), the Investor will deposit, preferably via wire transfer (though checks will be accepted), the subscription amount which will be delivered directly to an account of the Fund, with such proceeds available for use by the Fund in accordance with the terms and conditions of the Limited Partnership Agreement immediately upon receipt. A copy of the Subscription Agreement has been enclosed as Appendix B.*

Please note that with this update, subscription funds delivered by a potential investor will not be placed in a separate escrow account, but will be delivered directly to the Company, with the Company being entitled to control such funds in its discretion (subject to the limitations set forth in the Limited Partnership Agreement) once the Company has duly accepted the investor's subscription agreement.

All other references in the Memorandum to the previous broker-dealer shall hereby be replaced with "Tobin & Company Securities LLC". The Subscription Agreement attached as Exhibit B of the Memorandum has also been updated to reflect the name of the new broker-dealer engaged by the Company and additional non-substantive, non-material updates have been made to the Subscription Agreement.

Placement Fees

In connection with the Company engaging Tobin & Company Securities LLC as its new broker dealer, a new engagement agreement has been entered into between the Company and Tobin & Company Securities LLC with respect to the services to be provided by the new broker dealer, with such agreement also specifying the placement fees and other amounts to be paid by the Company in connection with the services to be performed.

The placement fees to be paid to Tobin & Company Securities include the following:

1. A non-refundable engagement fee of $5,000 that was paid upon execution of the agreement.

2. A non-refundable retainer fee of $5,000 (which is reduced on a dollar-for-dollar basis by any amounts paid under the placement fee (as described in item no. 3 below).

3. A placement fee equal to (i) 1.00% of the first $15,000,000 of "Total Sales", (ii) 0.80% of the next $15,000,000 of "Total Sales", (iii) 0.75% of the next $15,000,000 of "Total Sales", 0.65% of the next $15,000,000 of "Total Sales", and 0.55% of the remainder of the "Total Sales".

[1] Information about the Managing Broker is available at FINRA's BrokerCheck website: https://brokercheck.finra.org/.

Please also note that salespersons affiliated with Caliber (but who are licensed and managed through the broker-dealer) will receive selling commissions equal to 0.75% of the gross proceeds in the offering. Because these salespersons devote all or substantially all of their working time on placing securities in Caliber-sponsored real estate funds, these persons may be incentivized to recommend an investment that is not optimal for an investor's particular investment interests and goals.

Update to Comparison Chart on Page 25 of the Memorandum

The management fees comparison chart contained on page 25 of the Memorandum has been updated as shown below to incorporate the agreed upon private placement fees described above:

Model: Comparison of an Example 'Caliber' Fund/Offering to an Example Non-Traded REIT				
	Capital	**Leverage**	**Capital**	**Leverage**
Capital Invested:	$ 100,000,000	60%	$ 100,000,000	70%
	Ex. Caliber Fund		**Ex. Non-Traded REIT**	
Capital Formation Costs – Brokers	0.75%	$ 750,000	7.00%	$ 7,000,000
Capital Formation Costs - Managing Dealer Placement Fees	1.00%	$ 1,000,000	1.50%	$ 1,500,000
Capital Formation Costs - Administrative	2.00%	$ 2,000,000	1.00%	$ 1,000,000
Capital Formation Costs - Legal	0.25%	$ 250,000	1.00%	$ 1,000,000
Capital Formation Costs - Marketing	1.00%	$ 1,000,000	2.00%	$ 2,000,000
Fund Level Fees - Acquisitions/Dispositions	0.00%	$ -	2.00%	$ 2,000,000
Fund Level Fees - Construction Management	0.00%	$ -	0.50%	$ 500,000
Capital Remaining To Invest in Real Estate	**95.00%**	**$ 95,000,000**	**85.00%**	**$ 85,000,000**

CALIBER FIXED INCOME FUND III LP
a Delaware limited partnership

SECOND AMENDED AND RESTATED PRIVATE PLACEMENT MEMORANDUM

Offer of Class A Limited Partner Units

_____

April 30, 2020

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Questions and requests for information may be directed to:

Caliber Fixed Income Fund III LP
8901 East Mountain View Road, Suite 150
Scottsdale, Arizona 85258
(480) 295-7600
Email: Invest@CaliberCo.com

CALIBER FIXED INCOME FUND III LP
a Delaware limited partnership

THIS OFFERING IS LIMITED TO ACCREDITED INVESTORS

No Minimum Offering Amount
Maximum Offering Amount of $100,000,000

Minimum Subscription for Class A Units: $100,000

Price Per Class A Limited Partner Unit: $1.00

This Second Amended and Rested Private Placement Memorandum (this "Memorandum") describes the amended offering (the "Offering") of Class A Limited Partner Units (the "Class A Limited Partner Units" or the "Units") in Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "Fund" or "Partnership"). The Units will be sold pursuant to and in accordance with the terms set forth in this Memorandum. The Units will be sold exclusively to "*Accredited Investors*" (as such term is defined in Rule 501 of Regulation D, as promulgated under Section 4(2) of the Securities Act of 1933 (as amended, the "Securities Act")).

It is intended that the Fund will be treated as a partnership for federal income tax purposes, however (i) each Class A Limited Partner (as defined below) will not be treated as a "partner" of the Fund for federal and state income tax purposes, (ii) there will be no allocations of profits and losses of the Fund to the Class A Limited Partners, and (iii) any distributions of a preferred return to the Class A Limited Partners (as provided for in the Limited Partnership Agreement (as defined below)) will be treated as payment of interest for federal and state income tax purposes.

The Fund will be managed by its general partner, CFIF III GP, LLC, a Delaware limited liability company (the "General Partner"), an affiliate of the Fund's sponsor. The sponsor of the Fund (the "Sponsor") is Caliber – The Wealth Development Company, a trade name used to refer to a group of affiliated entities directly or indirectly controlled by CaliberCos, Inc., a Nevada corporation. The Sponsor has been involved in acquiring, managing, and disposing of commercial real estate-related assets for over ten years.

This Memorandum provides important information you should know before investing in the Units. Please read it carefully before you invest and keep it for future reference. You should rely only on the information contained in this Memorandum or information to which we have referred to you. We have not authorized anyone to provide you with additional information or information different from that contained in this Memorandum.

Brief Overview of the Fund's Investment Objectives

The Fund was formed for the purpose of investing in real estate related debt and equity securities. The Fund's activities may include, without limitation:

(1) originating loans with various terms, interest rates, maturity timelines, and collateral positions, including without limitation, loans on either a secured or unsecured basis, and for secured debt, loans that carry either senior or subordinated positions, with such security collateral including commercial real estate assets, residential real estate assets, plant and equipment, intellectual property, other personal property such as a borrower's accounts receivable and/or cash flow;

(2) acquiring loans on the secondary market with various terms, interest rates, maturity timelines, and collateral positions, including without limitation, loans on either a secured or unsecured basis, and for secured debt, loans that carry either senior or subordinated positions, with such security collateral including commercial real estate assets, residential real estate assets, plant and equipment, intellectual property, other personal property such as a borrower's accounts receivable and/or cash flow;

(3) originating or acquiring specialty type loans or other financing arrangements, including debtor-in-possession financings, restructurings, hard-money loans, and other special situations;

(4) acquiring majority (including 100% equity positions) and minority equity interests in operating companies or asset holding companies, including, common equity positions, mezzanine equity interests, and preferred equity positions; and

(5) investing into or acquiring or refinancing assets or entities affiliated with CaliberCos, Inc., the Sponsor, or any of their Affiliates, including, without limitation, acquiring mezzanine equity positions in various assets owned or controlled by the Sponsor or its Affiliates.

The Fund has already made significant investments into certain projects. Please see the Appendix C for additional information on these current projects. As of the date of this Memorandum, all Fund investments consist of both secured and unsecured loans to the Sponsor or Affiliates of the Sponsor. Accordingly, please note that special conflicts of interest between the Fund and the Sponsor exist, as described in further detail in this Memorandum. There is no guarantee that the information contained in Appendix C will be the most current information available, and the Fund and General Partner assume no responsibility to provide information in Appendix C that is the most up to date with current status of the projects and information regarding each such project.

The Fund's investment objectives cover a broad spectrum of investment choices. In the Fund's initial Private Placement Memorandum, the Fund advised that it did not expect to use significant funds to acquire unsecured and under secured assets. However, due to changing market conditions and availability of certain asset mixes and desired returns, the Fund's current assets as set out herein, include unsecured loans.

The investment strategy of the Fund is to invest in assets that provide stable returns and protect against loss of principal. The General Partner, through the principals, officers, managers, and directors of the Sponsor, will make all investment decisions on behalf of the Fund.

Brief Overview of the Units

The Fund is offering the Units on a continuous basis and for an indefinite period of time. The rights, preferences, and obligations of the Units are set forth in the Amended and Restated Limited Partnership Agreement of the Fund, a copy of which is attached to this Memorandum in Appendix B (the "Limited Partnership Agreement").

Class A Limited Partner Units

The holders of the Units are referred to herein collectively as the "Class A Limited Partners" and each a "Class A Limited Partner." The Units will have the following features, as set forth in the Limited Partnership Agreement:

(1) The Units will have limited voting rights, as set forth in the Limited Partnership Agreement.

(2) Subject to certain adjustments described below, the Units will accrue an 8.25% cumulative, non-compounded, return on the unreturned capital contributions of a Class A Limited Partner (the "Class A Preferred Return"), but will not participate in potential profits after a return of unreturned capital contributions to the Class A Limited Partners.

(3) It is anticipated that the Fund will pay accrued and unpaid portions of the Class A Preferred Return on a monthly basis to the Class A Limited Partners, on the fifteenth day following each applicable month, although the General Partner has no obligation to make such Class A Preferred Return payments, and may distribute cash and property at such times as determined by General Partner in its sole discretion.

(4) If a Class A Limited Partner elects to enter into a Lock-Up Agreement, a sample form of which is included as Appendix D, pursuant to which the Class A Limited Partners agrees not to make a redemption request for at least a period of twelve months, then the Class A Preferred Return will be equal to a 9.25% cumulative, non-compounded, return on the unreturned capital contributions of a Class A Limited Partner for the period of time that the Unit is subject the Lock-Up Agreement; provided, however, that the additional 1% preferred return received will accrue and be payable on an annual basis, starting on the first anniversary of the last day of the calendar quarter following the date on which the Class A Limited Partner first makes a Capital Contribution, and each annual Lock-Up Delta shall accrue each year thereafter on such same calendar quarter end date.

(5) Notwithstanding anything to the contrary herein or in the Limited Partnership Agreement, solely for federal and state income tax purposes the Fund intends to treat the Class A Limited Partner Units as debt. No Class A Limited Partner shall be treated as a "partner" for federal and state income tax purpose. As such, (i) any Class A Preferred Return paid to the Class A Limited Partners shall be treated as interest for federal and state income tax purposes, and shall be consistently reported as such by the Fund and each Class A Limited Partner, (ii) there shall be no allocations of Profits or Losses to the Class A Limited Partners under the Limited Partnership Agreement, and (iii) any and all references to "Partner," "Partners," "Unit," or "Limited Partner Unit" under this Memorandum or the Limited Partnership Agreement, where such context refers to a partner or Fund interest for federal and state income tax purposes, shall exclude the Class A Limited Partners and the Units.

(6) A Class A Limited Partner may request redemption of its Units at any time, subject to a Class A Limited Partner who has entered into a Lock-Up Agreement. The General Partner anticipates that it will redeem Units from a Class A Limited Partner who has requested redemption within seven (7) business days of the redemption request, although the General Partner and Fund have no obligation to make such redemptions, as determined by the General Partner in its sole and absolute discretion.

(7) All or a portion of the Units of a Class A Limited Partner will be redeemable by the Fund at any time by payment of any outstanding Class A Preferred Return and the unreturned capital contributions of such Class A Limited Partner. The General Partner can select, in its sole and absolute discretion, which Class A Limited Partner Units it chooses to so redeem (subject to any restrictions or limitations imposed by a lender who has extended credit to the Fund) and is not required to redeem Units *pari passu* or *pro rata*.

Class B Units and General Partner Units

Additional partnership interests or units not being offered hereby will be referred to as the "Class B Units" and "General Partner Units"). The holders of the Class B Units are referred to herein collectively as the "Class B Limited Partners" and each a "Class B Limited Partner." The Class B Units are owned by Affiliates of the Sponsor, Caliber Services, LLC, an Arizona limited liability company (owns 9,900 Class B Units), and Caliber Diversified Opportunity Fund II LP, a Delaware limited partnership (owns a 100 Class B Units). The General Partner Units are owned by CFIF III GP, LLC, the initial General Partner (owns 100 General Partner Units).

The General Partner's capital contribution shall, at all times, equal at least 1% of the capital contributions of all of the Class A Limited Partners. Within a reasonable time after the Class A Limited Partner contribute capital to the Fund, the General Partner shall make a capital contribution to the Fund so that the General Partner will make a capital contribution equal at least 1% of the capital contributions of all of the Class A Limited Partners.

After payment of any accrued and unpaid Class A Preferred Return to the Class A Limited Partners and, in the case of distributions of Net Cash Flow From Sale or Refinance (i.e., distributions of return of principal or capital invested by the Fund, liquidation proceeds, and other amounts that do not constitute Net Cash Flow From Operations), return of capital contributed by the Class A Limited Partners, the Class B Limited Partners, and the General Partner, then all additional distributions will be distributed 1% to the General Partner and 99% to the Class B Limited Partners, pro rata based on the Class B Limited Partners respective interests in the Class B Units.

Brief Overview of the Offering

The Units are being offered on a continuous, best efforts basis and for an indefinite period of time. Funds tendered by Investors in the offering will be released immediately to the Fund upon acceptance of a subscription by the General Partner and/or the Fund and after review and approval by the Managing Broker. The Units are offered subject to acceptance, prior sale, and withdrawal, cancellation, or modification of the offer at any time without notice.

The Fund and its advisors and representatives may update the price per Unit reflected at the beginning of this Memorandum from time to time without advance notice to any holder of this PPM and without an obligation to inform any holder of this PPM, except to the extent that such holder completes a subscription to acquire Units after an adjustment to the price per Units has been completed. In the event that a holder of this PPM completes a subscription for Units after the Unit price has been adjusted, the Fund, prior to its acceptance of the subscription, will notify such person of the Unit price change and confirm such person's desire to subscribe for such Units at the adjusted price.

The offering is made on a "best efforts — no minimum" basis. There is no requirement that any minimum number of Units be sold before the gross subscription proceeds ("*Proceeds*") are released to the

Fund and applied in its business. Therefore, there can be no assurance as to the amount of Proceeds that will be received by the Fund.

The Fund will not accept any additional subscriptions under this offering after the Fund accepts an aggregate of One Hundred Million Dollars ($100,000,000) (the "*Maximum*") in subscriptions for the purchase of Units, subject to the General Partner's right to increase the amount of the offering.

The Units are offered through Tobin & Company Securities LLC[1], a registered broker/dealer and member FINRA/SIPC (the "*Managing Broker*"). Upon receipt of the executed acceptance of the Subscription Agreement (the "*Subscription Agreement*"), a copy of which has been enclosed as Appendix B, the Investor will deposit, preferably via wire transfer (though checks will be accepted) the subscription amount will be delivered directly to an account of the Fund, with such proceeds available for use by the Fund in accordance with the terms and conditions of the Limited Partnership Agreement immediately upon receipt.

The individual minimum subscription for Units is One Hundred Thousand Dollars ($100,000.00), unless otherwise waived by the General Partner. Subscriptions are subject to acceptance or rejection by the General Partner, in the General Partner's sole and absolute discretion, subject to the terms and conditions of the Subscription Agreement. Rejected subscriptions and subscription funds will be returned to subscribers without interest within thirty (30) days of rejection. The Fund reserves the right to increase the amount of the offering and, accordingly, the Proceeds to the Fund.

The date of this Memorandum is April 30, 2020.

[1] Information about the Managing Broker is available at FINRA's BrokerCheck website: https://brokercheck.finra.org/.

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APPENDICES

FREQUENTLY ASKED QUESTIONS

The following questions and answers about this offering of equity securities (this "*Offering*") highlight material information regarding the Fund and this Offering. Each Investor should read this Private Placement Memorandum (this "*Memorandum*"), including the section entitled "Risk Factors," before deciding to purchase the equity securities offered hereunder.

Q: What is the Fund's primary investment strategy?

A: The Fund was formed for the purpose of investing in real estate related debt and equity securities. The Fund intends to primarily engage in the origination and management of a portfolio of senior secured loans, which provide stable returns and protect against loss of principal by investing in loans that are secured by real property as the collateral. As of the date of this Memorandum, all Fund investments consist of both secured and unsecured loans to the Sponsor or Affiliates of the Sponsor.

Q: What is the Preferred Return on the Units?

A: Subject to certain adjustments described below, the Units will accrue a 8.25% cumulative, non-compounded, return on the unreturned capital contributions of a Class A Limited Partner, but will not participate in potential profits after a return of unreturned capital contributions to the Class A Limited Partners.

It is anticipated that the Fund will pay accrued and unpaid portions of the Class A Preferred Return on a monthly basis to the Class A Limited Partners, on the fifteenth day following each applicable month, although the General Partner has no obligation to make such Class A Preferred Return payments, and may distribute cash and property at such times as determined by General Partner in its sole discretion.

If a Class A Limited Partner elects to enter into a Lock-Up Agreement, a sample of which is included as Appendix D, pursuant to which the Class A Limited Partners agrees not to make a redemption request for at least a period of twelve months, then the Class A Preferred Return will be equal to a 9.25% cumulative, non-compounded, return on the unreturned capital contributions of a Class A Limited Partner for the period of time that the Units are subject to the Lock-Up Agreement; provided, however, that the additional 1% preferred return received will accrue and be payable on an annual basis, starting on the first anniversary of the last day of the calendar quarter following the date on which the Class A Limited Partner first makes a Capital Contribution, and each annual Lock-Up Delta shall accrue each year thereafter on such same calendar quarter end date.

Q: What management fees will be paid to the General Partner or its Affiliates?

A: The various management fees paid encompass the costs of ensuring a competent management team is in place making decisions daily for sourcing, acquiring, and providing oversight for the Fund's assets.

The management fee paid to the General Partner with respect to the Class A Units is equal to an annual 1% of the weighted average of the unreturned capital contributions of the Class A Limited Partners, which may be payable in advance and on a monthly basis, at the sole and absolute discretion of the General Partner.

Other additional fees and reimbursements will be paid to the General Partner and/or its Affiliates, as more specifically described in the section labeled Management Fees and Compensation.

Q: May I make an investment through my IRA, SEP or other tax-favored account?

A: Yes. You may make an investment through your IRA, a simplified employee pension (SEP) plan, or other tax-favored account. In making these investment decisions, you should consider, at a minimum, (1) whether the investment is in accordance with the documents and instruments governing your IRA, plan, or other account, (2) whether the investment satisfies the fiduciary requirements associated with your IRA, plan, or other account, (3) whether there is sufficient liquidity for such investment under your IRA, plan, or other account, (4) the need to value the assets of your IRA, plan, or other account annually or more frequently, and (5) whether the investment would constitute a prohibited transaction under applicable law. There are limitations on the amount of investments made by certain qualified plans, as further discussed in this Memorandum.

Q: What are the major risks to the investment?

A: Investment in the Units of the Fund offered hereby involves risk, including the risk of a significant loss of the investment and the general economic failure of the Fund. Some of these risks are described in more detail in the section labeled "Risk Factors."

Q: Who will select the investments that the Fund will invest into?

A: Investment decisions of the Fund will be made by the General Partner, although the General Partner may, at times, engage affiliated and third-party investment managers to assist in these efforts.

Q: Who is Caliber?

A: The Sponsor of the Fund is Caliber – The Wealth Development Company, a trade name used to refer to a group of affiliated entities directly or indirectly controlled by CaliberCos, Inc., a Delaware corporation. The Sponsor has been involved in acquiring, managing, and disposing of commercial real estate-related assets for over ten years. See section "Caliber Executive Summary and Historical Investment Performance" for additional information concerning Caliber – The Wealth Development Company and a full list of the Affiliates (defined herein) of Caliber that are referenced above.

Q: What's the difference between this Fund and a REIT or Non-traded REIT?

A: Both traded and non-traded REITs are traditional structures for real estate investment utilized by large investment firms and institutions, often with a minimum target of $1,000,000,000 in capital. We believe such structures are typically "fee-heavy" which can represent up to 15%[2] of the investment you make being utilized to pay offering costs, brokerages, etc. Caliber's fund, a $100,000,000 offering, if fully funded to the offering maximum, is designed to be large enough to take advantage of middle-market investment opportunities but small enough not to require an army of staff and costs to manage. Additionally, this Fund is not expected to make direct investment in real estate, but rather to provide senior secured loans, and other debt and equity investments related to real estate.

Q: What is the exit strategy for the Fund?

[2] *See* "Investor Bulletin: Non-Traded REITs." U.S. Securities and Exchange Commission, August 31, 2015, https://www.sec.gov/oiea/investor-alerts-bulletins/ib_nontradedreits.html.

A: The Fund has multiple exit strategies it may consider as the investments mature. These strategies include, and are not limited to, a market sale of assets, either individually or as a whole, a portfolio sale to one or more institutions, a roll-up to a public offering, or some combination of these options. No Class A Limited Partner is entitled to have its Units redeemed by the Fund, although the General Partner will attempt to take all reasonable steps to redeem any Class A Limited Partner requesting redemption within seven days of such request.

Q: What will the Fund do with the money raised in this offering?

A: The funds raised in this Offering will primarily be utilized to purchase real estate related debt and equity securities. See Investment Objectives, Strategy, and Policies section.

Q: Who can buy Units?

A: An Investor may buy Units pursuant to this Memorandum if you are an "Accredited Investor" as described in the offering memorandum and is subject to suitability standards and acceptance by the General Partner. See "Who May Invest; Suitability Standards" section.

Q: Is there any minimum investment required?

A: Yes. Generally, an investor must invest at least $100,000.00. Fund management has the discretion to offer a lower minimum investment amount.

Q: How do I subscribe?

A: Securities are offered through Tobin & Company Securities LLC (the "*Managing Broker*"), registered broker/dealer and member FINRA/SIPC.

Prospective investors who would like to subscribe for the Units must carefully read this Memorandum. If, after carefully reading the entire Memorandum, obtaining any other information available and being fully satisfied with the results of pre-investment due diligence activities, a prospective investor would like to purchase Units, they must complete and sign a Subscription Agreement and any supporting documentation as requested. The Subscription Agreement submission process is managed by the Managing Broker. An example of the Subscription Agreement a prospective investor would complete is attached as Appendix B. An investor must purchase at least the minimum purchase amount of $100,000 (subject to the other provisions contained in this Memorandum) and the full purchase price must be wired to the Fund upon submission of the completed Subscription Agreement. Instructions for completing the Subscription Agreement will be provided by the Managing Broker, along with detailed instructions for making payment via wire transfer.

As part of the subscription process, prospective investors are required to provide a third party verification of their accredited investor status. The Managing Broker will request this verification as a part of, or separate from, your completed Subscription Agreement. Acceptance of the prospective Investor's subscription by the Fund is at the General Partner's sole and absolute discretion, and the Fund will notify each prospective Investor of receipt and acceptance of the subscription. In the event the Fund does not accept a prospective Investor's subscription for the Units for any reason, the Fund will promptly return the funds to such subscriber in accordance with the terms of this Memorandum.

Q: If an Investor buy Units in this Offering, how may the Investor later sell them?

A: There is no current market for the Units. The Fund and the General Partner do not expect that a public market will ever develop and the Fund's Certificate of Formation does not require a liquidity event at a fixed time in the future. Therefore, redemption of Units by the Fund, which must be agreed to by the General Partner in its sole and absolute discretion, will likely be the only way for an Investor to dispose of its Units.

Q: Will an Investor be notified of how its investment is doing?

A: Yes. The Fund will strive to provide each Investor with periodic updates on the performance of its investment in the Fund, including (except for certain items such as K-1 tax statements, each of these shall be provided at the discretion of the General Partner):

- An investor update letter, distributed quarterly;
- A quarterly account statement;
- An annual report;
- An annual audit; and
- An annual Form K-1 tax statement.

Q: When will an Investor receive detailed tax information?

A: Every effort shall be made to furnish each Investor with its IRS Form K-1 for the preceding year by March 31st of each fiscal year.

Q: What is the anticipated timing of distributions for this Fund?

A: The Fund's strategy is to acquire a blend of assets that produce currently, monthly income along with assets that may not initially produce income but may generate a more attractive total investment return. The General Partner will strive, but is not required to, distribute the accrued and unpaid Class A Preferred Return on a monthly basis.

Q: Who can help answer questions?

A: Questions and requests for information may be directed to:

Caliber Fixed Income Fund III LP
8901 East Mountain View Road, Suite 150
Scottsdale, Arizona 85258
480-295-7600
Email: Invest@CaliberCo.com

IMPORTANT GENERAL CONSIDERATIONS

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy by anyone in any state in which the offer or solicitation is not authorized or in which the person making the offer or solicitation is not qualified to do so, to any person to whom it is unlawful to make the offer or solicitation, or to any person other than the offeree to whom this Memorandum has been delivered (each an "Offeree" and collectively, the "Offerees").

No dealer, salesperson, or other person has been authorized in connection with this Offering to give an Offeree any information or make any representation other than those contained in this Memorandum and, if given or made, that information or representations may not be relied upon. Each Offeree is advised to conduct its own thorough investigation of the Fund and the terms of the Offering, including the merits and risks involved, before making an investment in the Units. This Memorandum supersedes in its entirety any preliminary transaction summary or term sheet or any other oral or written information heretofore delivered to each Offeree. Prior to the sale of the securities, the Fund is hereby providing each Offeree the opportunity to ask questions and to obtain any additional information concerning the Fund and the terms and conditions of the Offering that the Offeree wishes to obtain.

The securities offered in connection with this Memorandum are being offered and will be sold in reliance on the exemption from the registration requirements of the Securities Act provided in section 4(a)(2) and Rule 506 of Regulation D to a limited number of investors that are "Accredited investors" within the meaning of Rule 501(a) of Regulation D under the Securities Act.

This investment is suitable only for subscribers of substantial net worth that are willing, and have the financial capability, to bear the economic risk of an investment for an indefinite period of time. There is no public trading market for the securities nor is it contemplated that one will develop in the foreseeable future. Any transfer or resale of the Units or any interest or participation therein will be subject to restrictions under the Securities Act and as provided in the Limited Partnership Agreement.

Purchasers of the Units will be required to make (pursuant to the Subscription Agreement and investor questionnaire, copies of which are attached hereto as Appendix B) certain acknowledgments, representations, and agreements upon initial issuance, including representations with respect to their net worth or income and their authority to make this investment, as well as representations that they are familiar with and understand the terms, conditions and risks of this offering.

Certain of the terms of the Limited Partnership Agreement, Subscription Agreement, and other documents delivered herein are described in this Memorandum. These descriptions do not purport to be complete and each summary description is subject to, and qualified in its entirety by reference to, the actual text of the relevant document. Any purchase of Units should be made only after a complete and thorough review of the provisions of this Memorandum, the Limited Partnership Agreement, and the remaining documents delivered hereto. In the event that any of the terms, conditions or other provisions of the Limited Partnership Agreement are inconsistent with or contrary to the description of terms in this Memorandum, the Limited Partnership Agreement will govern.

An investment in the Units involves a high degree of risk. An independent investigation should be undertaken by each subscriber regarding the suitability of his, her or its investment in the Units.

Offerees are not to construe the contents of this Memorandum or any information made available as described below as legal or tax advice. Each subscriber should consult his, her or its' own counsel, accountant, business and financial advisors as to legal, tax, and related matters concerning the purchase of the Units.

The market, financial, and other forward-looking information presented in this Memorandum represents the subjective views of the General Partner and is based on assumptions the General Partner believes are reasonable but that may or may not prove to be correct. There can be no assurance that the General Partner's views are accurate or that the General Partner's estimates will be realized. Nothing in this Memorandum is or should be relied on as a promise as to the future performance or condition of the Fund. Industry experts may disagree with these assumptions and with the General Partner's view of the market and the prospects for the Fund.

In purchasing the Units, custodians, trustees, and other fiduciaries of an individual retirement account ("IRA") or simplified employee pension ("SEP") qualifying under Section 408 of the Internal Revenue Code of 1986, as amended (the "Code"), KEOGH plans, and retirement plans as described in Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") (collectively, "Qualified Plans") should consider the possible application of ERISA and related provisions of the Code, as well as whether an investment by a Qualified Plan in the Fund would be permissible under the governing instruments of the Qualified Plan. The Department of Labor has issued regulations which affect the type of investments in which Qualified Plans may invest, including investments in companies such as the Fund. Less than 25% of the total number of Units sold will be sold to Qualified Plans, and transfer of the Units to Qualified Plans will be restricted so that less than 25% of the Units outstanding at any time will be owned by Qualified Plans.

Offerees whose authority is subject to legal investment restrictions should consult their own legal advisors to determine whether, and if so, to what extent, the Units will constitute legal investments for them.

This Memorandum presents information with respect to the Fund as of the date hereof. The delivery of this Memorandum at a time after the date on the cover does not imply that the information herein is correct as of any time subsequent to that date.

Each Offeree of the Units and its representatives and beneficial owners, if any, are invited to ask questions concerning the terms, conditions, and other aspects of this Memorandum and to obtain any additional information with respect to the Units, the Fund, and the General Partner that they deem necessary or advisable to supplement or to verify the accuracy of the information contained herein and, in the case of documents referred to herein, to request that such documents be made available.

NASAA UNIFORM DISCLOSURE

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. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER

THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FLORIDA RESIDENTS

IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, AND YOU PURCHASE SECURITIES HEREUNDER, THEN YOU MAY VOID SUCH PURCHASE EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY YOU TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE IS COMMUNICATED TO YOU, WHICHEVER OCCURS LATER.

CONDITIONS TO RECEIVING THIS MEMORANDUM

By accepting delivery of this Memorandum, each Offeree understands and agrees to comply with the following:

- the information contained herein is confidential;
- the Offeree will not make any photocopies of this Memorandum or any related documents;
- the Offeree will not distribute this Memorandum or disclose any of its contents to any persons other than to those persons, if any, that the Offeree retains to advise the Offeree with respect to its contents;
- the Offeree will review this Memorandum, including statistical, financial, and other numerical data, with the Offeree's legal, regulatory, tax, accounting, investment, or other advisors. Neither the Fund nor the General Partner intends in this Memorandum to furnish legal, regulatory, tax, accounting, investment, or other advice;
- the General Partner may reject any offer to purchase Units, in whole or in part, for any reason or no reason; and
- if an Offeree does not purchase Units or if the Offering is terminated, on request of the Fund or the General Partner, the Offeree will return this Memorandum and all attached documents to the General Partner.

This Memorandum has been prepared for use by a limited group of accredited investors to consider the purchase of Units. The Fund reserves the right to modify or terminate the Offering process at any time.

FORWARD LOOKING STATEMENTS

Information contained in this Memorandum contains "forward-looking statements." Forward-looking statements reflect the Fund's current expectations or forecasts of future events. Forward-looking statements can be identified by words such as "will," "believes," "expects," "may," "should," or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy. The matters identified in the "Risk Factors" section constitute cautionary statements identifying important factors with respect to forward-looking statements, including certain risks and uncertainties. Other factors could also cause actual results to vary materially from the future results covered in the forward-looking statements contained herein.

Any projections, estimates, or other forecasts contained in this Memorandum are forward-looking statements that have been prepared by the Fund and are based on assumptions that the Fund believes are reasonable. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results. Accordingly, the projections are only an estimate. Actual results may, and most likely will, vary from the projections, and the variations may be material.

Statements in this Memorandum relate only to events as of the date on which the statements are made. None of the Fund, the General Partner or any of their respective Affiliates (defined herein) has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date hereof or to reflect the occurrence of unanticipated events, even if underlying assumptions do not come to fruition.

WHO MAY INVEST; SUITABILITY STANDARDS

The Fund is offering and selling the Units in reliance on an exemption from the registration requirements of the Securities Act and state laws. Accordingly, distribution of the Memorandum has been strictly limited to persons believed meet the requirements set forth below. Participation in the offering is limited to Accredited Investors who make the representation set forth below and furnish supporting documentation as is requested by, and acceptable to, the Fund. The Fund reserves the right, in its sole and absolute discretion, to reject any subscription based on any information that may become known or available to it about the suitability of an Investor or for any other reason, or no reason.

An investment in the Units involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in this investment. Only Investors who (i) represent in writing that they meet the Investor suitability requirements set herein and as many be required under federal or state law, and (ii) supply the Fund with acceptable Accredited Investor verification documentation, as requested by the Fund, may acquire the Units. The Fund has the right to and will rely on the written representations an Offeree makes and supporting information supplied by an Offeree. Each Offeree must provide truthful and accurate information.

The Investor suitability requirements stated below represent minimum suitability requirements established by the Fund. However, an Offeree's satisfaction of these requirements will not necessarily mean that the Units are a suitable investment for the Offeree, or that the Fund will accept the Offeree as an investor. Furthermore, the Manager may modify those requirements in its sole and absolute discretion, and any modification may change the suitability requirements for investors.

You (as the Offeree) must represent in writing that you meet, among other, all of the following requirements (the "*Investor Suitability Requirements*").

(a) You have received, read and fully understand the Memorandum and are basing your decision to invest on the information contained in the Memorandum. You have relied only on the information contained in the Memorandum and have not relied on any representations made by any other person;

(b) You understand that an investment in the Units is highly speculative and involves substantial risks and you are fully cognizant of and understand all of the risks relating to an investment in the Units, including those risks discussed in the "Risk Factors" section of the Memorandum;

(c) Your overall commitment to investments that are not readily marketable is not disproportionate to your individual net worth, and your investment in the Units, will not cause such overall commitment to become excessive;

(d) You have adequate means of providing for your financial requirements, both current and anticipated, and have no need for liquidity in this investment;

(e) You can bear and are willing to accept the economic risk of losing your entire investment in the Units;

(f) You are acquiring the Units for your own account and for investment purposes only and have no present intention, agreement or arrangement for the distribution, transfer, assignment, resale, or subdivision of the Units;

(g) You have sufficient knowledge and experience in financial and business matters that you are capable of evaluating the merits of investing in the Units and have the ability to protect your own Units in connection with this investment; and

(h) You are an "Accredited Investor" as defined in Rule 501(a) of Regulation D under the Securities Act.

An "*Accredited investor*" is any:

(a) Natural person that has (i) individual net worth (as defined below), or joint net worth with his or her spouse, of more than $1,000,000; or (ii) individual income in excess of $200,000, or joint income with his or her spouse in excess of $300,000, in each of the two most recent years and has a reasonable expectation of reaching the same income level in the current year;

(b) Corporation, Massachusetts or similar business trust, partnership, limited liability company, or organization described in Code Section 501(c)(3) of the Internal Revenue Code (the "Code"), not formed for the specific purpose of acquiring Units, with total assets over $5,000,000;

(c) Trust with total assets over $5,000,000, not formed for the specific purpose of acquiring Units and whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of an investment in Units as described in Rule 506(b)(2)(ii) under the Securities Act;

(d) Broker-dealer registered under Section 15 of the Exchange Act, as amended;

(e) Investment company registered under the Investment Company Act of 1940 (the "*Investment Company Act*") or a business development company (as defined in Section 2(a)(48) of the Investment Company Act);

(f) Small business investment company licensed by the Small Business Administration under Section 301 (c) or (d) of the Small Business Investment Act of 1958, as amended;

(g) An employee benefit plan within the meaning of ERISA, if the investment decision is made by a plan fiduciary (as defined in Section 3(21) of ERISA), which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited investors;

(h) Private business development company (as defined in Section 202(a)(22) of the Investment Advisors Act of 1940, as amended);

(i) Bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity, or any insurance company as defined in Section 2(13) of the Securities Act;

(j) Plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets of more than $5,000,000;

(k) Entity in which all of the equity owners are Accredited Investors. If you rely on this section, you may be required to have each equity owner of that entity complete an Investor Questionnaire

to certify the owner's status as an Accredited Investor. Additionally, entity investors may be required to provide a copy of the operating documents or corporate governing documents.

For purposes of calculating your net worth, "*net worth*" means the excess of total assets at fair market value (including personal and real property, but excluding the estimated fair market value of a person's primary home) over total liabilities. Total liabilities exclude any mortgage on the primary home in an amount of up to the home's estimated fair market value as long as the mortgage was incurred more than 60 days before the securities were purchased, but includes (i) any mortgage amount in excess of the home's fair market value and (ii) any mortgage amount that was borrowed during the 60-day period before the closing date for the sale of securities for the purpose of investing in the securities. In the case of fiduciary accounts, the net worth and/or income suitability requirements must be satisfied by the beneficiary of the account, or by the fiduciary, if the fiduciary directly or indirectly provides funds for the purchase of the Units.

In addition, the SEC has issued certain no action letters and interpretations in which it deemed certain trusts to be Accredited investors, such as a trust where the trustee is a bank as defined in Section 3(a)(2) of the Securities Act and revocable grantor trusts established by individuals who meet the requirements of clause (a) or (b) of paragraph (h) of the investor Suitability Requirements. However, these no-action letters and interpretations are fact specific and should not be relied upon without close consideration of your unique circumstance.

PRIVACY NOTICE

The Fund and the General Partner value each Offerees privacy and are providing this Privacy Notice as a courtesy to each of the Offerees.

The Fund and the General Partner do not disclose nonpublic personal information about Offerees and Investors to third parties other than as described below.

The Fund and the General Partner collect information about each Offeree (such as name, address, social security number, assets and income) from discussions with the Offerees and Investors, from documents that may deliver to the Fund and the General Partner (such as the Subscription Agreement) and in the course of providing services to Investors and Offerees. In order to service an Investor's account and effect the transactions described herein, the Fund and the General Partner may provide an Offeree's personal information to our Affiliates and to firms that assist us in servicing an Investor's account and have a need for such information, such as any fund administrator, investor relations administrator, auditors, or accountants. The Fund and the General Partner do not otherwise provide information about Offerees and Investors to outside firms, organizations or individuals except as required or permitted by law. Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation and is not permitted to share or use this information for any other purpose. Notwithstanding the above, the General Partner and the Fund will have no liability to an Offeree or Investor to the extent that the information described above becomes publicly known, except to the extent that the General Partner’s or the Fund’s actions constitute gross negligence or willful misconduct.

As of January 1, 2020, California law will require certain data security requirements of Personal Information by covered businesses and will grant residents of California certain rights with respect to obtaining information about their personal data that is maintained by a covered business. The Fund and the General Partner will comply with these requirements. Among other rights, California law will permit residents of California to opt-out of certain disclosures of Personal Information to third parties. In some circumstances, any person may elect to opt-out of the sharing of his, her or its Personal Information with third parties and may do so by submitting a request in writing or by contacting the Fund by telephone.

SUMMARY OF OFFERING AND FUND TERMS

This summary highlights some of the most significant information contained elsewhere in this Memorandum. Because it is a summary, it does not contain all of the information that may be important to a potential investor. To understand this offering fully, a potential investor should read the entire Memorandum carefully, including, without limitation, the information discussed under the caption "Risk Factors" before making a decision to invest in the Units. Unless specifically noted otherwise, references throughout this Memorandum to the Fund will include the General Partner (as defined below) and any agent authorized to act on the Fund's behalf.

The Fund:	Caliber Fixed Income Fund III LP is a Delaware limited partnership organized to invest primarily in commercial real estate-related debt and equity securities.
General Partner:	CFIF III GP, LLC, a Delaware limited liability company. The General Partner is responsible for all management decisions of the Fund. The General Partner is not registered as an investment advisor.
Principals:	John C. Loeffler II, "Chris Loeffler," and Jennifer Schrader are the parties empowered to act on behalf of the Sponsor and the General Partner. (collectively, the "*Principals*").
Affiliates:	An affiliate with reference to the Fund or General Partner includes such entity's officers, directors, members, partners, shareholders, managers, employees, agents and the Principals (collectively the "*Affiliates*").
Investment Strategy:	The Fund was formed for the purpose of investing in real estate related debt and equity securities. The Fund has already made significant investments into certain assets. Please see the Appendix C for additional information on these current projects. There is no guarantee that the information contained in Appendix C will be the most current information available, and the Fund and General Partner assume no responsibility to provide information in Appendix C that is the most up to date with current status of the projects and information regarding each such project.
Investment Risks:	The Fund's investment program is speculative and entails substantial risks, including, among others: dependency on key individuals, risks associated with real estate investing, litigation risk, risks arising from the use of leverage, and the risk that exit strategies from positions may be unavailable and have limited liquidity. An Investor should not invest in the Fund unless: (1) it is fully able to bear the financial risks of its investment for an indefinite period of time; and (2) it can sustain the loss of all or a significant part of its investment and any related realized or unrealized profits. A Limited Partner could lose some or all of its investment in the Fund. There can be no assurance that the investment objectives of the Fund will be achieved or that the General Partner's investment strategy will be successful. Past results of

the Fund, the Sponsor or their principals, Affiliated entities, funds or clients, are not necessarily indicative of the future performance of the Fund.

The Units:

A general description of the rights and preferences of the Units is set forth below. Each Investor should carefully read this Memorandum and the Limited Partnership Agreement to understand certain risks associated with acquiring Units and the rights and obligations associated with the Units.

The holders of the Units are referred to herein collectively as the "Class A Limited Partners" and each a "Class A Limited Partner." The Units will have the following features, as set forth in the Limited Partnership Agreement:

- Subject to certain adjustments described below, the Units will accrue an 8.25% cumulative, non-compounded, return on the unreturned capital contributions of a Class A Limited Partner (the "Class A Preferred Return"), but will not participate in potential profits after a return of unreturned capital contributions to the Class A Limited Partners.

- It is anticipated that the Fund will pay accrued and unpaid portions of the Class A Preferred Return on a monthly basis to the Class A Limited Partners, on the fifteenth day following each applicable month, although the General Partner has no obligation to make such Class A Preferred Return payments, and may distribute cash and property at such times as determined by General Partner in its sole discretion.

- It is intended that the Fund will be treated as a partnership for federal income tax purposes, although it is intended that (i) each Class A Limited Partner (as defined below) will not be treated as a "partner" of the Fund for federal and state income tax purposes, (ii) there will be no allocations of profits and losses of the Fund to the Class A Limited Partners, and (iii) any distributions of a preferred return to the Class A Limited Partners (as provided for in the Limited Partnership Agreement (as defined below)) will be treated as payment of interest for federal and state income tax purposes.

The Offering:

The Units are being offered on a continuous, best efforts basis and for an indefinite period of time. Funds tendered by Investors in the offering will be released immediately to the Fund fur use in accordance with the terms and conditions of the Limited Partnership Agreement.

The offering is made on a "best efforts — no minimum" basis. There is no requirement that any minimum number of Units be sold before the Proceeds are released to the Fund and applied in its business. Therefore, there can be no

assurance as to the amount of Proceeds that will be received by the Fund.

The Units are offered through the Managing Broker, a registered broker/ dealer and member FINRA/SIPC. Upon receipt of the executed acceptance of the Subscription Agreement (the "Subscription Agreement"), a copy of which has been enclosed as Appendix B, the Investor will deposit, preferably via wire transfer (though checks will be accepted) the subscription amount will be delivered directly to an account of the Fund, with such proceeds available for use by the Fund in accordance with the terms and conditions of the Limited Partnership Agreement immediately upon receipt.

The Fund will not accept any additional subscriptions under this offering after the Fund accepts an aggregate of One Hundred Million Dollars ($100,000,000) in subscriptions for the purchase of Units, subject to the General Partner's right to increase the amount of the offering in its sole discretion. The Fund is offering to sell any combination of Units with a dollar value up to the Maximum. The General Partner reserves the right, in its sole discretion, to sell Units at a discount to the established purchase price. For example, the General Partner may allow discounts to certain large or strategic investors or allow registered investment advisors or registered representatives of broker-dealers to invest "net of commission".

General Partner's Commitment and Interest:

A second class of partnership interest units not being offered hereby will be referred to as the "Class B Units." The Class B Units are owned by Affiliates of the Sponsor, Caliber Services, LLC, an Arizona limited liability company (owns 9,900 Class B Units), and Caliber Diversified Opportunity Fund II LP, a Delaware limited partnership (owns a 100 Class B Units). The General Partner Units are owned by CFIF III GP, LLC, the initial General Partner (owns 100 General Partner Units).

It is intended that the General Partner capital contribution shall, at all times, equal at least 1% of the capital contributions of all of the Limited Partners. Within a reasonable time after the Fund issues any additional Limited Partner Units, the General Partner shall make a capital contribution to the Fund so that the General Partner capital contribution equals at least 1% of the capital contributions of all of the Limited Partners. The General Partner shall be entitled to 1% of all distributions paid to the Partners.

After payment of any accrued and unpaid Class A Preferred Return to the Class A Limited Partners and, in the case of distributions of Net Cash Flow From Sale or Refinance (i.e., distributions of return of principal or capital invested by the Fund, liquidation proceeds, and other amounts that do not constitute Net Cash Flow From Operations), return of capital contributed by the Class A Limited Partners, the Class B Limited Partners, and the General Partner, then all additional distributions will be distributed 1% to the General Partner and 99% to the Class B Limited Partners, pro rata based on the Class B Limited Partners respective interests in the Class B Units.

Individual Minimum Investment Amount: The individual minimum subscription for Units is One Hundred Thousand Dollars ($100,000), unless otherwise waived by the General Partner. Subscriptions are subject to acceptance or rejection by the General Partner, in the General Partner's sole and absolute discretion, subject to the terms and conditions of the Subscription Agreement. Rejected subscriptions and subscription funds will be returned to subscribers without interest within thirty (30) days of rejection. The Fund reserves the right to increase the amount of the offering and, accordingly, the Proceeds to the Fund.

Term: The term of the Fund will continual perpetually. Under the Limited Partnership Agreement, there is no required termination date of the Fund.

Diversification: The Fund does not have fixed guidelines for diversification and may concentrate its investments in particular types of real estate investments and may utilize different investment strategies, depending on the General Partner's assessment of the available investment opportunities, including only purchasing a single property subject to IRS guidance.

Distributions and Carried Interest: Limited Partners may not voluntarily withdraw any amount of capital from the Fund.

Net Cash Flow From Operations:

(a) First, 100% to the Class A Limited Partners pro rata based on the Class A Preferred Return payable to the Class A Limited Partners, until each Class A Limited Partner has received the Class A Preferred Return payable to such Class A Limited Partner; and

(b) Thereafter, to the General Partner and the Class B Limited Partners, pro rata based on the unreturned Capital Contributions of such Partners until each such Partner has received an amount equal to the Partner's unreturned Capital Contributions, and thereafter 1% to the General Partner, and 99% to the Class B Limited Partners pro rata based on the Class B Percentage Interest.

Net Cash Flow From Sale and Refinance:

(a) First, 100% to the Class A Limited Partners pro rata based on the Class A Preferred Return payable to the Class A Limited Partners, until each Class A Limited Partner has received the Class A Preferred Return payable to such Class A Limited Partner;

(b) Second, 100% to the Class A Limited Partners pro rata based on the unreturned Capital Contributions of the Class A Limited Partners, until each Class A Limited Partner has received an amount equal to the

Partner's unreturned Capital Contributions; and

(c) Thereafter, to the General Partner and the Class B Limited Partners, pro rata based on the unreturned Capital Contributions of such Partners until each such Partner has received an amount equal to the Partner's unreturned Capital Contributions, and thereafter 1% to the General Partner, and 99% to the Class B Limited Partners pro rata based on the Class B Percentage Interest.

Transaction Fees: The General Partner or any of its Affiliates may also be paid other fees as would be paid in the normal course of business, including, without limitation, in connection with accounting, property management, leasing, acquisition, maintenance and construction margin, development and disposition of properties acquired by the Fund; provided, however, any fees paid by the Fund to the General Partner or its Affiliates for the provision of such services shall be no greater than the Fund would pay to an unaffiliated third party providing such services in either (i) Maricopa County, Arizona, for services provided to the Fund as a whole, or (ii) the county and state where any Fund property is located, for services provided in connection with a specific Fund property.

Management Fee: The General Partner is entitled to receive compensation in the form of a management fee ("Management Fee"). The Management Fee paid to the General Partner with respect to the Class A Limited Partner Units is equal to an annual 1% of the weighted average of the unreturned capital contributions of the Class A Limited Partners, which may be payable in advance and on a monthly basis, at the sole and absolute discretion of the General Partner.

Marketing Fees and Sales Charges: The General Partner may sell Units through Financial Industry Regulatory Authority ("*FINRA*") registered broker-dealers, placement agents and other persons and may pay such parties for their service, including one-time placement fees and ongoing payments. Placement fees, as a percentage of gross offering proceeds, will include a Managing Broker a fee between 0.55% and 1.00% (depending on total sales), a marketing fee of up to 1.00%, and may include a sales commission of up to 2.00%. The sales commission will only be paid in instances when a placement is made by a participating selling dealer (registered broker-dealer, placement agent or other person), subject to securities laws. Such fees will typically be paid by the Fund.

Redemptions: A Class A Limited Partner may request redemption of its Units at any time, unless such Class A Limited Partner has entered into a Lock-Up Agreement. In its sole and absolute discretion, the General Partner may redeem Units from a Class A Limited Partner who has requested redemption. The General Partner intends to, but is not obligated to make redemptions within seven (7) business days of the redemption request.

All or a portion of the Units of a Class A Limited Partner will be redeemable by the Fund at any time by payment of any outstanding Class A Preferred

	Return and the unreturned capital contributions of such Class A Limited Partner. The General Partner can select, in its sole and absolute discretion, which Class A Limited Partner Units it chooses to so redeem (subject to any restrictions or limitations imposed by a lender who has extended credit to the Fund) and is not required to redeem Units *pari passu* or *pro rata*. The General Partner does not anticipate that it will exercise its right to redeem.
Expenses:	The Fund shall pay or reimburse the General Partner for all expenses incurred or paid on behalf of the Fund prior to or after the formation of the Fund.
Fiscal Year:	The fiscal year of the Fund shall end on December 31 of each year (each a "*Fiscal Year*"), which Fiscal Year may be changed by the General Partner, in its sole and absolute discretion.
Reports to Limited Partners:	Any Limited Partner or its respective designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of books and records of the Fund; provided, however, that confidential communications between the Fund and its legal counsel may be withheld from a Limited Partner in the General Partner's reasonable discretion. In addition, all Limited Partners will receive the information necessary to prepare federal and state income tax returns following the conclusion of such Fiscal Year as soon thereafter as is reasonably practical. In addition to annual financial statements, the General Partner intends to provide Limited Partners with quarterly reports showing the performance of the Fund's investments. The General Partner may agree to provide Limited Partners with additional information on the underlying investments of the Fund, as well as access to the General Partner and its employees for relevant information.
Transferability of Interests:	There is no current market for the Units. The Fund and the General Partner do not expect that a public market will ever develop, and the Fund's Certificate of Formation does not require a liquidity event at a fixed time in the future. Therefore, redemption of Units by the Fund, which must be agreed to by the General Partner in its sole and absolute discretion, will likely be the only way for an investor to dispose of its Units. While the redemption program of the Fund was designed to allow investors to request redemptions of an investor's Units, the Funds ability to fulfill redemption requests is subject to a number of limitations. Most significantly, as of the date of this Memorandum, the vast majority of the Fund's assets consist, and will most likely consist in the future, of illiquid assets. Any redemption requests by an investor will require the approval of the General Partner, which may be withheld in its sole and absolute discretion. As a result, an investor's ability to have its Units redeemed by the Fund may be limited, and the Units should be considered a potentially long-term investment with limited liquidity.

ERISA and Other Employee Benefit Plans and Accounts:

Pension, profit-sharing or other employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), individual retirement accounts, Keogh Plans or other plans covered by Section 4975 of the Internal Revenue Code of 1986, as amended (the "*Code*"), and entities deemed to hold the plan assets of each of the foregoing (each a "*Benefit Plan Investor*"), governmental plans, foreign employee benefit plans and certain church plans not subject to ERISA (such plans which are not Benefit Plan Investors are referred to herein as "*Other Benefit Plans*"), may generally purchase Units in the Fund subject to the considerations described in this Memorandum. The General Partner intends to conduct the operations of the Fund so that the assets of the Fund will not be considered "plan assets" of any plan investor. Fiduciaries of Benefit Plan Investors and Other Benefit Plans are urged to review carefully the matters discussed in this Memorandum and consult with their own legal and financial advisors before making an investment decision.

If requested by any tax-exempt Investors that are ERISA or governmental pension funds, the General Partner will facilitate the formation of a group trust through which those pension funds would invest in the Fund. The group trust, and not the Investors would be expected to report and pay the federal income taxes resulting from unrelated business taxable income generated by the Fund.

Investors subject to ERISA should consult their own advisors as to the effect of ERISA on an investment in the Fund. The General Partner will make reasonable efforts to conduct the affairs and operations of the partnership in such a manner that the Fund will qualify as a venture capital operating company under ERISA.

Voting Rights and Amendments:

The voting rights of Limited Partners are very limited. Other than as explicitly set forth in the Limited Partnership Agreement, Limited Partners have no voting rights as to the Fund or its management.

Generally speaking, the Limited Partnership Agreement may only be amended by the consent of the General Partner and the Partners holding a majority of the outstanding Units, provided however, the General Partner may amend the Limited Partnership Agreement in certain other times.

Liability of Limited Partners:

A Limited Partner's liability to the Fund is limited to the amount it has contributed to the capital of the Fund. Once a Unit has been paid for in full, the holder of that Unit will have no further obligation at any time to make any loans or additional Capital Contributions to the Fund. No Limited Partner shall be personally liable for any debts or obligations of the Fund. Under Delaware law, when a Limited Partner receives a return of all or any part of such Limited Partner's Capital Contribution, the Limited Partner may be liable to the Fund for any sum, not in excess of such return of capital (together with interest), if at the time of such distribution the Limited Partner knew that the Fund was prohibited from making such distribution pursuant to the Delaware Revised Limited Partnership Act, as amended (the "*Partnership Act*").

Other Activities of General Partner and its Affiliates:	Neither the General Partner nor its Affiliates is required to manage the Fund as their sole and exclusive function. Each may engage in other business activities, including competing ventures and/or other unrelated employment. In addition to managing the Fund, the General Partner and its Affiliates may establish other private investment funds in the future which employ an investment strategy similar to that of the Fund.
Exculpation and Indemnification:	The General Partner will be generally liable to third parties for all obligations of the Fund to the extent such obligations are not paid by the Fund or are not by their terms limited to recourse against specific assets. The Fund (but not the Limited Partners individually) is obligated to indemnify the General Partner and its managers and members from any claim, loss, damage or expense incurred by such persons relating to the business of the Fund, provided that such indemnity is otherwise not prohibited by law.
Termination:	Upon termination, the Fund shall be dissolved and wound-up. The General Partner or, if there is no General Partner, a liquidator or other representative (the "*Representative*"), appointed by a majority of the interest of the Limited Partners shall proceed with the orderly sale or liquidation of the assets of the Fund and shall apply and distribute the proceeds of such sale or liquidation in the following order of priority, unless otherwise required by law: (i) first, to pay all expenses of liquidation; (ii) second, to pay all creditors of the Fund (including Partners who are creditors) in the order of priority provided by law or otherwise; (iii) third, to the establishment of any reserve which the General Partner or the Representative may deem necessary; and (iv) fourth, to the Partners in accordance with the liquidation distribution provisions set forth above.
No Registration Rights:	The Units will not be registered under the Securities Act and the Partners will not have any registration rights associated with their respective Units.
How to Subscribe:	Securities are offered through the Managing Broker, a registered broker/dealer and member FINRA/SIPC. Prospective investors who would like to subscribe for the Units must carefully read this Memorandum. If, after carefully reading the entire Memorandum, obtaining any other information available and being fully satisfied with the results of pre-investment due diligence activities, a prospective investor would like to purchase Units, they must complete and sign a Subscription Agreement and any supporting documentation, as requested. The Subscription Agreement submission process is managed by the Managing Broker. An example of the Subscription Agreement a prospective investor would complete is attached as Appendix B. An investor must purchase at least the minimum purchase amount of $100,000 (subject to the other provisions contained in this Memorandum) and the full purchase price must be paid upon submission of the completed Subscription Agreement. Instructions for completing the Subscription Agreement will be provided by the Managing Broker, along with detailed instructions for making payment via wire transfer. As part of the subscription process, prospective investors are required to provide a third-party verification of their accredited investor status. This is a

regulatory requirement and therefore, if the investor fails to produce the necessary third-party verification, their subscription must be rejected. The Managing Broker will request this verification as part of, or separate from, your completed Subscription Agreement. Acceptance of the prospective Investor's subscription by the Fund is in the General Partner's sole and absolute discretion, and the Fund will notify each prospective Investor of receipt and acceptance of the subscription. In the event the Fund does not accept a prospective Investor's subscription for the Units for any reason, the Fund will promptly return the funds to such subscriber in accordance with the terms of this Memorandum.

Eligible Investors: In order to invest in the Fund, an Investor must meet certain minimum eligibility requirements, including qualifying as an "Accredited Investor," as defined in Section 4(a)(2) of the Securities Act of 1933, as amended (the "*Securities Act*"), and Regulation D promulgated thereunder. The Subscription Agreement sets forth in detail the definitions of an Accredited Investor. An Investor must check the appropriate places in the Subscription Agreement to represent to the Fund that it is an Accredited Investor and submit to the Fund and the Managing Broker any third-party verification of such Accredited Investor status as determined needed by the Fund and the Managing Broker, in order to be able to purchase Units. The General Partner may reject any Investor's subscription for any reason or for no reason.

Inquiries: Each Investor is invited to, and it is highly recommended that an Investor, meet with the General Partner for a further explanation of the terms and conditions of this offering and to obtain any additional information necessary to verify the information contained in this Memorandum, to the extent the General Partner possesses such information or can acquire it without unreasonable effort or expense. Requests for such information should be directed to:

Caliber Fixed Income Fund III LP
8901 East Mountain View Road, Suite 150
Scottsdale, Arizona 85258
480-295-7600
Email: Invest@CaliberCo.com

Caliber Executive Summary and Historical Investment Performance

Caliber provides high net worth individuals and the investment advisers who serve them access to sophisticated, private real estate investments that have been traditionally reserved for institutions.

Caliber's mission is to build wealth for and with our clients while transforming the assets and communities we touch.

Caliber achieves this mission by providing well-structured residential, commercial, and hospitality real estate investments, utilizing, to the extent beneficial to the investment project as a whole, a vertically integrated business model that includes acquisitions, development, construction, asset management and disposition.

Key Items on Caliber:

- As of 2020, Caliber is celebrating its 12th year and is a 6x consecutive awardee of the Inc. 500|5000 'Fastest Growing Private Company in America', an accomplishment less than 3% of Inc. companies ever achieve.
- For the 5-year period from 2013 through 2018, Caliber experienced 39% annual net growth in aggregate capital invested in its various funds.
- Caliber's accredited investor base has doubled from 2016 to 2020.
- The Company's executive and senior leadership teams combine for over a century of hand-on experience in real estate investment, development, and management.
- As of 2020, Caliber manages over $1 billion in combined assets under management (AUM) and assets under development (AUD) as a sponsor of its various private funds and offerings.
- Caliber is a recognized thought leader and market leading in Opportunity Zone Investments and an early entrant in the space.[3]
- Caliber has launched and managed seven (7) mixed, discretionary private real estate funds and over ten (10) single-asset private offerings in its operating history.

As an established real estate asset manager and fund sponsor specifically focused on the Greater Southwest Growth Region (AZ, CO, TX, NV, UT & ID), with an investment team designed to execute on ground-up development and repositioning of existing, middle-market, real estate assets (generally $5m - $50m in project value), and with an institutional-grade administrative infrastructure designed to support a large base of investors and multiple funds, Caliber believes it is well positioned to manage the Fund.

[3] *See* "Caliber Announces First Opportunity Zone Project." AZBigMedia, November 2, 2018, https://azbigmedia.com/real-estate/commercial-real-estate/caliber-announces-first-opportunity-zone-project/; "Downtown Mesa Office Purchase Part of Caliber's Opportunity Zone Plans." Phoenix Business Journal, December 26, 2019, https://www.bizjournals.com/phoenix/news/2019/12/26/downtown-mesa-office-purchase-part-of.html.

For financial reporting purposes, Caliber, as represented by the legal entity CaliberCos Inc., consolidates some assets within its management or ownership, as required by generally accepted accounting principles (GAAP). To that extent, some of the capital or assets the company manages are including within the consolidated financial statements and some of the capital or assets are eliminated as required by GAAP.

Since inception, through December 31, 2018, we have raised approximately $283 million of capital from accredited investors and purchased real property at cost for an aggregate purchase price of approximately $237 million. Our aggregate net capital raised has increased at an average annual growth rate of 39% (from $29 million to $144 million) over the five-year period ended December 31, 2018. As of December 31, 2018, none of our sponsored programs had recognized any loss of principal.

From January 1, 2019 through June 30, 2019, we have raised approximately $43.2 million of capital from accredited investors and purchased and improved real estate at a cost of $24.1 million. At June 30, 2019, we had committed capital in the form of cash on hand totaling $19.6 million across multiple asset classes. At June 30, 2019, our AUM consisted of $259.4 million of real property and our capital under management was $184.5 million. At June 30, 2019, none of our sponsored programs had recognized any loss of principal.

Caliber's Competitive Strengths:

Creating Access

We are focused on creating wealth for our clients by providing access to high quality real estate investments. Caliber believes that capital organized privately into structured funds offers investors an optimal balance of risk-adjusted return and investment performance. By allowing investors, who may not otherwise be able to purchase a large asset, to participate with a minimum investment as low as $100,000, Caliber provides typical real estate investors access to sophisticated strategies and assets that they may not otherwise have.

Vertical Integration

While Caliber's business model is in part analogous to that of a financial asset manager, our model is built on a full-service approach. We have complemented traditional asset management functions with construction, property management, and deal expertise that we believe creates a competitive advantage against other traditional asset managers' models. We have a hands-on approach to real estate investing and possess the local expertise in asset management, leasing, construction management, development and investment sales, which we believe enable us to invest successfully in select submarkets.

Compared to non-traded REITs that often come with high cost structures for investors, we offer reduced product origination costs and fund-level fees. By eliminating many of the fees earned at the fund level, and sizing the remaining fees to cover Company overhead, Caliber aligns its profitability with that of its investors.

Model: Comparison of an Example 'Caliber' Fund/Offering to an Example Non-Traded REIT				
	Capital	**Leverage**	**Capital**	**Leverage**
Capital Invested:	$ 100,000,000	50%	$ 100,000,000	70%

	Ex. Caliber Fund		**Ex. Non-Traded REIT**	
Capital Formation Costs – Brokers	2.00%	$ 2,000,000	7.00%	$ 7,000,000
Capital Formation Costs - Managing Broker Placement Fees	Up to 1.00%	$ Up to 1,000,000	1.50%	$ 1,500,000
Capital Formation Costs - Administrative	2.00%	$ 2,000,000	1.00%	$ 1,000,000
Capital Formation Costs - Legal	0.25%	$ 250,000	1.00%	$ 1,000,000
Capital Formation Costs - Marketing	1.00%	$ 1,000,000	2.00%	$ 2,000,000
Fund Level Fees - Acquisitions/Dispositions	0.00%	$ -	2.00%	$ 2,000,000
Fund Level Fees - Construction Management	0.00%	$ -	0.50%	$ 500,000
Capital Remaining To Invest in Real Estate	**93.75%**	**$ 93,750,000**	**85.00%**	**$ 85,000,000**

The chart above reflects an estimate for illustrative purposes only comparing a Caliber example fund to a non-specific example of a non-traded REIT. As stated previously in this memorandum, this Fund is formed for the purpose of investing in real estate related debt and equity securities and not direct investment in real estate, which differs from many non-traded REITS whose purpose is direct investment in real estate assets. The estimated fee schedule was shown to reflect a 2015 Investor Bulletin issued by the Securities & Exchange Commission (SEC) warning of the high fees associated in non-traded REITs. Reference: https://www.sec.gov/oiea/investor-alerts-bulletins/ib_nontradedreits.html

For Caliber, as an alternative example, rather than charge a fund-level acquisition fee, as many non-traded REITs do, and then further hire and pay third party real estate brokers, Caliber eliminates the fund-level fee and acts as the broker directly, earning at or below market real estate commissions. Similarly, as opposed to charging the fund a construction management fee and then further hiring a third-party general contractor, Caliber acts as the general contractor, controls the project, and eliminates the double layer of fees. The Company believes its approach allows it to drive down the cost burden that is borne by funds under a traditional asset management model, increase returns to investors of those funds, and generate long-term sustainable cash flows.

Extensive relationship and sourcing network

We leverage our real estate services businesses in order to source deals for our funds. In addition, our management has extensive relationships with major industry participants in each of the markets in which

we currently operate. Their local presence and reputation in these markets have enabled them to cultivate key relationships with major holders of property inventory, in particular, financial institutions, throughout the real estate community.

Targeted market opportunities

We focus on markets that have a long-term trend of population growth and income improvement, with a focus on Arizona, Colorado, Nevada and Utah, which are states with business and investment-friendly state and local governments. We generally avoid engaging in direct competition in over-regulated and saturated markets.

Structuring expertise and speed of execution

Prior real property acquisitions completed by us have taken a variety of forms, including direct property investments, joint ventures, participating loans and investments in performing and non-performing mortgages with the objective of long-term ownership. We believe we have developed a reputation of being able to quickly execute, as well as originate and creatively structure acquisitions, dispositions and financing transactions.

Focus on the middle market

Our focus on middle market opportunities offers our investors significant alternatives to active, equity investing that provide attractive returns to investors. This focus has allowed us to offer a diversified range of real estate investment opportunities, particularly for accredited investors.

Risk protection and investment discipline

We underwrite our investments based upon a thorough examination of property economics and a critical understanding of market dynamics and risk management strategies. We conduct an in-depth sensitivity analysis on each of our acquisitions. This analysis applies various economic scenarios that include changes to rental rates, absorption periods, operating expenses, interest rates, exit values and holding periods. We use this analysis to develop our disciplined acquisition strategies.

Caliber Track Record:

Caliber currently manages seven (7) mixed asset, discretionary, private fund with four (4) of the seven currently open for investment. In addition, Caliber has issued more than ten (10) single-asset private investments which are now closed for new investment.

Caliber's primary focus for the period starting in late 2012 and continuing through the current period has been investing in existing or new commercial, multi-family, or hospitality assets. In a typical real estate investment from one of these categories, Caliber experiences a three to eight year window of execution, with a five year average. This execution window measures the time the investment is acquired to the time the investment is optimized, from a profitability standpoint, and ready for either sale or refinance. Properties that have been sold are reflected in the Company's track record as 'Realized' while properties that remain in Caliber's portfolio, or the specific fund's portfolio, that have not been sold will be reflected at their most recent formal valuation without showing Realized gains.

Shown in the table below is a composite of the Company's mixed asset and single asset funds and the related performance as of the periods noted:

Legal Name	Short Name	Inception	Sold / Closed	Total Properties / Loans	Total Units	FMV	Total Invested (Debt + Equity)	Current Dist. Rate	% Sold	Realized Equity Mltp (Net)	Unrealized Equity Mltp (Net)
Caliber Tax-Advantaged Opportunty Zone Fund, LP	Opportunity Zone Fund	2018	Open	10	419	12,900,000	$ 12,900,000	0%	0%	0.0	0.0
Caliber Diversified Opporunity Fund II, LP	Commercial Growth Fund	2017	Open	13	633	37,600,000	$ 27,200,000	0%	0%	0.0	1.9
Caliber Fixed Income Fund III, LP	Fixed Income Fund III	2016	Open	19	19	9,400,000	$ 9,400,000	9%	0%	0.0	1.1
Caliber Fixed Income Fund II, LP	Fixed Income Fund II	2015	2019	55	55	18,500,000	$ 18,500,000	10%	100%	1.1	Closed
Caliber Fixed Income Fund, LP	Fixed Income Fund I	2014	2016	35	35	10,800,000	$ 10,800,000	10%	100%	1.1	Closed
Caliber Distressed Real Estate Income Fund (CDIF, LLC)	Distressed Growth Fund	2013	Open	21	430	104,100,000	$ 86,700,000	0%	6%	0.0	1.7
Ridge II FundCo, LLC	Ridge II Johnstown	2019	Open	2	-	7,300,000	$ 7,300,000	0%	0%	0.0	0.0
CH Ocotillo Investment Fund, LLC	Holiday Inn Ocotillo	2018	Open	1	106	14,600,000	$ 14,600,000	2%	0%	0.0	0.0
Elliot 10 Fund, LLC	Four Points by Sheraton	2017	Open	1	160	23,500,000	$ 23,500,000	2%	0%	0.0	0.0
Caliber Airport Investment Company, LLC	3-Airport Hotels	2018	Open	3	777	114,300,000	$ 93,700,000	11%	0%	0.0	1.7
Tucson East, LLC	Hilton Tucson East	2016	Open	1	232	26,900,000	$ 26,900,000	0%	0%	0.0	0.0
GC Square, LLC	GC Square Apartments	2015	Open	1	165	18,500,000	$ 17,900,000	2%	0%	0.0	1.1
IBHG, Inc.	Hampton Inn	2014	Open	1	101	16,700,000	$ 11,000,000	19%	0%	0.0	2.7
Palms Weekly Portfolio, LP	Palms Apartments	2016	2019	3	374	25,000,000	$ 15,900,000	8%	100%	3.5	Closed
MV Square, LLC	Mountain View Square	2013	2018	1	70	4,400,000	$ 2,800,000	6%	100%	3.0	Closed
OF Capital, LLC	South Mountain Square	2013	2019	1	117	10,800,000	$ 6,600,000	7%	100%	4.7	Closed
Uptown Square, LLC	Uptown Square	2012	2017	1	26	3,000,000	$ 2,600,000	7%	100%	1.6	Closed
Paradise Square LLC	Paradise Square	2012	2015	1	21	800,000	$ 700,000	3%	100%	1.1	Closed
Millhaven Apartments, LLC	Papago Square	2012	2015	1	15	700,000	$ 700,000	0%	100%	0.0	Closed
Mirasol Apartments Llc	Scottsdale Commons	2011	2015	1	125	8,600,000	$ 6,500,000	15%	100%	2.5	Closed
Caliber Auction Homes, LLC	Mariposa	2010	2019	2	17	1,600,000	$ 1,200,000	6%	100%	2.9	Closed
Total / Average				**174**	**3,897**	**$ 470,000,000**	**$ 397,400,000**	**5.2%**	**48%**	**2.3**	**1.3**

Legal Name — The legal entity which owns (or owned) the asset(s).

Short Name — A common name for the fund or assets utilized within the market

Inception — Date when the fund or assets were acquired

Sold / Closed — Date when the fund or assets were fully liquidated. N/A denotes a fund or asset that is not yet fully liquidated.

Total Properties / Loans — Count of real estate assets or promissory note assets owned by the entity.

Total Units — Aggregate total of all units of all assets in the fund or offering.

FMV — Denotes the fair market value of the asset as of 12/31/18 as calculated per the associated Offering's annual valuation process. If the asset was sold, the FMV represents the gross sales price at the time of the sale. If the asset was purchased within two years of 12/31/2018, asset may be listed at cost basis.

Total Invested — Total of equity and debt invested at 12/31/18, forming the investment basis of the fund or asset. For sold assets, total equity & debt invested at time of sale.

Current Dist. Rate — Total distributions for the period 1/1/2019 - 12/31/2019 as compared to aggregate total of all classes of equity invested, or, if sold, average distributions for the lifetime of the assets, or most recent reporting period, depending on availability of data.

% Sold — Percentage of assets owned within the fund or offering that have been sold.

Realized Equity Mltp (Net) — Total distributions earned by all common equity investors divided by the aggregate total of all common equity inititally invested.

Unrealized Equity Mltp (Gross) — Total distributions earned by all common equity investors as calculated at the FMV in a hypothetical sale, prior to manager carry, divided by the aggregate total of all common equity.

The company's primary focus from inception through 2012 was to invest in residential assets. For the period starting in 2009 through 2012, Caliber acquired 315 residential assets for an aggregate purchase price of $35.5 million. The assets were renovated and resold for a total aggregate sale price of $49 million with one year of purchase, on average. This tranche of investing reflected the Company's initial entry into the single-family foreclosure market. For the period from 2013 through 2016, Caliber wound this program down, as the residential market moved from distressed to stabilized. During this period, Caliber acquired 78 residential assets for an aggregate purchase price of $13.6m and sold those assets, as renovated, for an aggregate gross sales price of $21.6m. The average hold period for these assets increased from one year or less to two and a half years, or less, reflecting the Company's movement to capture market stabilization and related growth.

Throughout the Company's operating history, Caliber has offered various forms of debt-centric investments. Through the Company's Bridge Note Program, Caliber offered single-asset trust deed investments utilized to finance short term residential home flips. Caliber acted as the borrower for the notes offered and each note was place with a single investor on a single asset. Through the life of this program, Caliber clients invest an aggregate total of more than $40 million and earned an average interest rate return in excess of 11% annualized while the notes remained outstanding. The program was wound down upon the successful launch of the Caliber Fixed Income Fund, LLC and all loans were paid off in full.

Management Team

John C. "Chris" Loeffler, II, Chief Executive Officer of Caliber

Chris Loeffler is the CEO and Co-Founder of Caliber and serves as Chairman of the Company's Board of Directors. As CEO, Chris directs and executes overall strategy, oversees investments and fund management, and contributes to private and public capital formation. As a Co-Founder Chris took an early role forming the Company's financial and operational infrastructure and navigating the vertical integration of all real estate and investment services.

Prior to forming Caliber, Chris served as a Senior Associate in the audit and assurance practice for PwC in Phoenix, Arizona, completing public company audits, developing control systems, and completing several acquisition or sale transactions. Some of Chris' engagements included Honeywell International, Inc., CSK Auto Inc., Verizon Communications, Inc., Republic Services, Inc., Car Wash Partners, Inc., and the Arizona Diamondbacks.

Chris earned a Bachelor of Science degree in Business Administration with a concentration in Accounting from California Polytechnic State University, San Luis Obispo. Chris also attended Universidad Complutense de Madrid (University of Madrid) in Madrid, Spain. Chris is also a Board Director for Qwick, Inc., a venture-funded hospitality staffing marketplace.

Jennifer Schrader, President & Chief Operating Officer of Caliber

Jennifer Schrader is the President, COO and Co-Founder of Caliber and serves on the Company's Board of Directors. Jennifer directly oversees all Caliber asset management activities including the execution of each investment's business plan and the management of the real estate services delivered by Caliber or third-party vendors to Caliber's assets. In addition, Jennifer oversees daily operations at Caliber and manages talent development and resource management. Previously, Jennifer held the Designated Broker

position with Caliber Realty Group, LLC from 2013 through 2015. She maintains her Arizona real estate license, currently, as Associate Broker.

Prior to forming Caliber, Jennifer was the Managing Partner of First United Equites, LLC, a Michigan business focused on acquiring, renovating and selling homes for profit. Jennifer obtained her real estate license in Michigan in 2005 as a top-performer within Keller Williams in Michigan.

Jennifer attended Lawrence Technological University in Michigan where she studied architecture and interior architecture. She possesses a Real Estate Broker's license from the Arizona School of Real Estate and Business. Jennifer serves on the Colangelo College of Business Advisory Board for Grand Canyon University in Phoenix, Arizona.

Jade Leung, Chief Financial Officer of Caliber

Jade Leung is Caliber's CFO and corporate secretary. As CFO, Jade oversees accounting and controllership, financial planning and analysis, tax, financial reporting, and treasury functions at Caliber.

Before being named CFO in April 2017, Jade was Caliber's Vice President of Finance and was responsible for managing and streamlining the Company's accounting and compliance functions across all divisions and functions. In August 2016, he was also named the Chief Compliance Officer for the Company's Arizona issuer-dealer, Caliber Securities, LLC, which established a new revenue stream for the Caliber group of companies.

Prior to joining Caliber, Jade spent 12 years with PwC, LLP, most recently as Senior Manager in audit and assurance services in Los Angeles, CA where he managed audit and accounting advisory services for some of PwC's largest Fortune 500 companies in the United States, Canada, and Japan. Notably, Jade, while performing audit and assurance services at PwC, assisted clients in over $1 billion dollars of public market transactions and financing arrangements, including First Solar, Inc., American Express Company, Mitsubishi UFJ Financial Group, and Rural/Metro Corporation.

Jade earned an accounting degree from Ryerson University and Bachelor of Arts degree in Psychology from the University of British Columbia. Jade holds an active CPA license in the states of Arizona and Maine.

Roy Bade, Executive Vice President — Construction and Development of Caliber

Roy Bade is the Chief Development Officer (CDO) of Caliber. Roy is responsible for managing real estate service lines provided by Caliber's vertically integrated group of operating businesses. His four areas of responsibility include vertical and horizontal real estate development, construction, acquisitions, and project financing.

For nearly 30 years prior to joining Caliber, Roy acted as the principal and managing partner of two businesses, Bade Commercial Services Inc and BCS Development Group, LLC, which included development, construction, and property management of commercial, retail and industrial properties throughout Phoenix, Arizona. During this time, Roy developed, constructed and owned over 750,000 square feet of property.

Roy graduated from Washington State University with a Bachelor of Science in Business Information Systems, holds a Commercial General Contractor's license, and holds an Arizona Real Estate Broker's license.

GENERAL RISK FACTORS

Investment in the Units of the Fund offered hereby involves risk, including the risk of a complete loss of the investment and the general economic failure of the Fund. The following factors should be considered carefully in evaluating an investment in the Units offered hereby. The risks and uncertainties described below are not the only ones relevant to the Fund. The investment described herein is speculative, involves a high degree of risk and represents an illiquid investment. An investor should be able to bear the loss of the investor's entire investment. You are urged to read this Memorandum and the attached exhibits and consult with your own legal, tax, and financial advisors before investing in the Fund. In certain applicable circumstances, "Fund" may refer to or include the Fund's Affiliates, including any entities formed for the purpose of holding title to assets of the Fund.

GENERAL RISKS RELATED TO AN INVESTMENT IN THE FUND

The Fund is considered a "blind pool."

Because the Fund has not identified all of the specific assets that the Fund may purchase with investment proceeds and operating proceeds, this is a "blind pool." An investor will not be able to evaluate the economic merit of the Fund's investments until after investments have been made.

To be successful, the Fund and its General Partner (and its advisors) must, among other things:

- identify and acquire investments that further the Fund's investment objectives;
- rely on the Fund's advisors and their Affiliates to attract, integrate, motivate, and retain qualified personnel to manage our day-to-day operations;
- respond to competition for our targeted investments as well as for potential investors;
- rely on Affiliates and third parties to continue to build and expand the Fund's operations structure to support its business; and
- be continuously aware of, and interpret, market trends and conditions.

The Fund may not succeed in achieving these goals, and a failure to do so could cause the Fund's investors to lose a significant portion of their value.

An investment in the Units has limited liquidity. There is no public market for the Units and the Fund's limited redemption program may not have sufficient liquidity to redeem Units. As a result, an investor should purchase

There is no current market for the Units. The Fund and the General Partner do not expect that a public market will develop in the near future, if ever, and the Fund's Certificate of Formation or Limited Partnership Agreement does not require a liquidity event at a fixed time in the future. Therefore, redemption of Units by the Fund, which must be agreed to by the General Partner in its sole and absolute discretion, will likely be the only way for an investor to dispose of its Units. While the redemption program of the Fund was designed to

Units as a long-term investment.

allow investors to request redemptions of an investor's Units, the Funds ability to fulfill redemption requests is subject to a number of limitations. Most significantly, the vast majority of the Fund's assets will consist of illiquid promissory notes and other investment assets, which cannot generally be readily liquidated without impacting the Fund's ability to realize full value upon disposition of such assets. Any redemption requests by an investor will require the approval of the General Partner, which may be withheld in its sole and absolute discretion. As a result, an investor's ability to have its Units redeemed by the Fund will be limited, and the Units should be considered a long-term investment with limited liquidity.

Redemption of Units is subject to General Partner Approval.

The General Partner shall have the right to unilaterally redeem all or any portion of the Units at any time by payment of any accrued but unpaid Class A Preferred Return applicable to the holder of the Units being redeemed together with the unreturned capital contribution of such Units. No holder of Units shall have any right to require redemption of all or a portion of its Units. In that regard, the Units have a capped value and are not entitled to any value appreciation above the Class A Preferred Return. If the General Partner elects to redeem any Unit, whether unilaterally or pursuant to a redemption request by such Class A Limited Partner, such redemption shall be conducted at such time, in such manner and by such methodology as the General Partner may determine in its sole and absolute discretion. As a result, a Class A Limited Partner's ability to have its Units redeemed by the Fund will be limited, and the Units should be considered a long-term investment with limited liquidity. The General Partner may elect to redeem Units incrementally over time or by making a single redemption payment to the applicable Class A Limited Partner.

Source of redemption funds include operational and investment income as well as capital contributions.

The General Partner may utilize any source of proceeds to effectuate a redemption of the Units, including, but not limited to, the use of contributions from the sale of Units or the Fund securing a line of credit or other debt financing as provided for in the Limited Partnership Agreement.

Economic events may adversely affect the Fund's cash flow and ability to achieve its investment objectives.

Economic events affecting the United States economy, including events occurring outside the United States, such as the general negative performance of the real estate sector or the negative performance of the U.S. economy as a whole, could depress the valuations of the Fund's assets, the valuation of the assets acting as collateral to the Fund's debt securities, or cause decreased cash flow. Such events may cause the Class A Limited Partners to seek redemption of their Units at an inopportune time for the Fund, or prohibit the Fund from raising additional capital through the sale of additional Units.

Moreover, if the Fund decides to sell certain assets to increase the Fund's cash flow or redeem Units, such events may negatively impact the Fund's ability to achieve its investment objectives.

Fund Valuations

Fund valuations will occur at least annually. Fund valuations will be used in connection with the issuance of new Units. Because some time may lapse between a Fund valuation prepared in accordance with the Limited Partnership Agreement and the issuance of new Limited Partner Units, Fund valuation may not accurately reflect the valuation of the Fund as the day of the acquisition or redemption, as applicable. Significant events may have occurred that materially changes the valuation of the Fund including, without limitation, market fluctuations, natural disasters, unexpected lease vacancies, or defaults. The General Partner may, but is not obligated to, make adjustments to the last Fund valuation completed to account for the issuance of additional Units (and any capital contributions made in connection therewith), the redemption of Units (and the use of funds and proceeds to effectuate such redemptions), the sale, financing, or refinancing of the Fund's assets, distribution of capital to Limited Partners and the General Partner, and the retirement of any debt of the Fund.

The methodology for conducting a Fund valuation will blend recent valuations and valuation opinions to determine the value of the individual value of the assets, and will include utilizing applicable financial statements.

Economic events may adversely affect the Fund's cash flow and ability to achieve its investment objectives.

Economic events affecting the United States economy, including events occurring outside the United States, such as the general negative performance of the real estate sector or the negative performance of the U.S. economy as a whole, could depress the valuations of the Fund's assets or cause decreased cash flow. Such events may cause Limited Partners to seek redemption of their Units or prohibit the Fund from raising additional capital through the sale of additional Units.

Moreover, if the Fund decides to sell certain assets to increase the Fund's cash flow or redeem Units, such events may negatively impact the Fund's ability to achieve its investment objectives.

COVID-19 could have a material impact on the Fund's investments and operations, and the Fund will continue to monitor the COVID-19 situation closely.

Beginning in late 2019, China, as well as several other countries, experienced an outbreak of a highly contagious form of an upper respiratory infection caused by COVID-19, a novel coronavirus strain commonly referred to as coronavirus. On January 30, 2020, the World Health Organization declared this outbreak a "Public Health Emergency of International Concern." On January 31, 2020, U.S. Health and Human Services Secretary Alex M. Azar II declared a public health emergency for the United States to aid the U.S. healthcare community in responding to COVID-19. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic, and, as a result, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change. The Fund does not yet know the full extent of potential delays or impacts on its

projected investments and operations or the global economy as a whole. However, the effects could have a material impact on the Fund's investments and operations, and the Fund will continue to monitor the COVID-19 situation closely.

The Fund may make distributions from sources other than cash flow from operations, which may negatively impact the Fund.

The Fund may make distributions from sources other than cash flow from operations, including borrowings by the Fund or its Affiliates, proceeds from offerings of the Units, or proceeds from asset sales, which may reduce the amount of capital the Fund ultimately may invest and negatively impact the value of the Fund and a Limited Partner's investment.

The Fund is structured as a "perpetual life" fund, and there is no anticipated target liquidation date.

The Fund is an investment vehicle of indefinite duration focused principally on acquiring a portfolio of real estate related debt and equity securities that has no target date for sale of the portfolio or other liquidity event. Acquiring and managing a portfolio of commercial real estate assets that has no target liquidation event (except in the case of an investment into promissory notes) may present challenges that are different than acquiring and managing a portfolio of real estate that is expected to be owned for a limited and specified investment period.

The amount and source of distributions the Fund may make to its Class A Limited Partners is uncertain and the Fund may be unable to generate sufficient cash flows from its operations to make distributions to the Class A Limited Partners at any time in the future.

The Fund has not established a minimum distribution payment level, and the Fund's ability to make distributions to its Limited Partners may be adversely affected by a number of factors, including the risk factors described in this Memorandum. The General Partner will make determinations regarding distributions based upon, among other factors, the Fund's financial performance, its debt service obligations, its debt covenants, and capital expenditure requirements. Among the factors that could impair the Fund's ability to make distributions to Class A Limited Partners are:

- the limited size of the Fund's portfolio;
- the Fund's inability to invest, on a timely basis and in attractive debt and equity securities, the proceeds from sales of Units;
- the Fund's inability to realize attractive risk-adjusted returns on its investments;
- unanticipated expenses or reduced revenues that reduce cash flow or non-cash earnings;
- defaults in the Fund's investment portfolio or decreases in the value or investment grade of its assets; and
- the fact that anticipated operating expense levels may not prove accurate, as actual results may vary from estimates.

As a result, the Fund may not be able to make distributions to the Class A Limited Partners at any time in the future, and the level of any distributions the Fund does make to the Class A Limited Partners may not increase or even be maintained over time.

Purchases of Units by the Fund's Affiliates in this Offering should not influence investment decisions of independent, unaffiliated investors.

Affiliated persons of the Fund may purchase Units. There are no written or binding commitments with respect to the acquisition of Units by these parties, and there can be no assurance as to the amount, if any, of Units these parties may acquire in the Offering. Any Units purchased by Affiliates will be purchased for investment purposes only. However, the investment decisions made by Affiliates who make such purchases should not influence an investor's decision to invest in the Units, and an investor should make its own independent investment decision.

This is a "best efforts" offering. If the Fund is unable to raise a substantial amount of capital in the near term, the Fund may have difficulties investing in additional properties and/or repaying or refinancing indebtedness and the investor's ability to achieve the Fund's investment objectives, including diversification of our portfolio type and location, could be adversely affected.

This offering is being made on a "best efforts" basis, which means that the Fund, the Sponsor, and the broker-dealers participating in this Offering are only required to use their best efforts to sell the Units and have no firm commitment or obligation to purchase of the Units. As a result, the Fund may not be able to raise a substantial amount of additional capital in the near term. If the Fund is not able to accomplish this goal, the Fund may have difficulty in identifying and purchasing further suitable properties on attractive terms in order to meet the Fund's investment objectives. Therefore, there could be a delay between the time the Fund receives net proceeds from the sale of Units and the time the Fund invests the new proceeds. This could also adversely affect the Fund's ability to pay regular distributions of cash flow from operations to the Class A Limited Partners. If the Fund fails to timely invest the new proceeds of this Offering, the Fund's ability to achieve its investment objections, including further diversification of the Funds' portfolio by property and asset type and location, could be adversely affected. Failure to raise substantial capital also could hamper the Fund's ability to repay or refinance indebtedness. In addition, subject to our investment policies, the Fund is not limited in the number or size of these investments or the percentage of net proceeds that the Fund may dedicate to a single investment. If the Fund uses all or substantially all of the future proceeds from this Offering to acquire one or a few investments, the likelihood of the Fund's profitability being affected by the performance of any one of the Fund's investments will increase, and an investment in the Units will be subject to greater risk.

If the Fund raises substantially less than the maximum offering amount or is not able to attract investment in the Units, the Fund may not be able to construct a diverse portfolio of security investments, and the value of the Fund may fluctuate more widely with the performance of specific investments.

The Fund is dependent upon the proceeds to be received from this Offering to conduct the Fund's proposed investment activities. If the Fund raises substantially less than the maximum offering amount or fails to attract investment in the Units, the Fund may not be able to construct a diverse portfolio of security investments, and the value of the Fund may fluctuate more widely with the performance of specific investments. Further, if the Fund fails to build a diverse portfolio because of lack of investment, the Class A Limited Partners may also be impacted if there are no proceeds to distribute to the Class A Limited Partners. An investor's investment in Units would be subject to greater risk to the extent that the Fund lacks a diversified portfolio of investments. In addition, the Fund's fixed operating expenses, as a percentage of gross income, would be higher, and the Fund's financial condition and ability to pay distributions could be adversely

affected if the Fund is unable to raise substantial funds in this Offering.

The Fund may suffer from delays if the Fund and its advisors are not able to locate suitable investments, which could adversely affect its ability to pay distributions and to achieve the Fund's investment objectives.

If the Fund is able to raise capital quickly during this Offering, the Fund may have difficulty in identifying and purchasing suitable assets in a timely and efficient fashion. This may impact the value of the Fund or its ability to pay distributions to its Class A Limited Partners in accordance with the Limited Partnership Agreement.

The General Partner has sole and absolute discretion of the Fund's investment policies.

Except as limited by the Certificate of Formation of the Fund and its Limited Partnership Agreement, the General Partner has sole and absolute discretion of the Fund's investment and operational policies, including the Fund's policies with respect to investments, acquisitions, growth, operations, indebtedness, capitalization, and distributions, at any time without the consent of Class A Limited Partners, which could result in the Fund making investments that are differing from, and possibly riskier than, the types of investment described in this Memorandum. A change to the Fund's investment strategy may, among other things, increase the Fund's exposure to interest rate risk, default risk, and commercial real estate market fluctuations, all of which could affect the Fund's ability to achieve the Fund's investment objectives.

The Fund's participation in a co-ownership arrangement may subject it to risks that otherwise may not be present in other real estate investments.

The Fund may enter into co-ownership arrangements with respect to a portion of the assets the Fund acquires. Co-ownership arrangements involve risks generally not otherwise present with an investment in real estate or debt, such as the following:

- the risk that a co-owner may at any time have economic or business interests or goals that are or become inconsistent with the Fund's business interests or goals;
- the risk that a co-owner may be in a position to take action contrary to the Fund's instructions or requests or contrary to our policies or objectives;
- the possibility that an individual co-owner might become insolvent or bankrupt, or otherwise default under the applicable mortgage loan financing documents, which may constitute an event of default under all of the applicable mortgage loan financing documents or allow the bankruptcy court to reject the agreements entered into by the co-owners owning interests in the relevant property;
- the possibility that a co-owner might not have adequate liquid assets to make cash advances that may be required in order to fund operations, maintenance, and other expenses related to the property, which could result in the loss of current or prospective tenants and may otherwise adversely affect the operation and maintenance of the property, and could cause a

default under the mortgage loan financing documents applicable to the property and may result in late charges, penalties, and interest, and may lead to the exercise of foreclosure and other remedies by the lender;

- the risk that a co-owner could breach agreements related to the property, which may cause a default under, and possibly result in personal liability in connection with, any mortgage loan financing documents applicable to the property, violate applicable securities laws, result in a foreclosure, or otherwise adversely affect the property and the co-ownership arrangement;
- the risk that a default by any co-owner would constitute a default under any mortgage loan financing documents applicable to the property that could result in a foreclosure and the loss of all or a substantial portion of the investment made by the co-owner;
- the risk that the Fund could have limited control and rights, with management decisions made entirely by a third-party; and
- the possibility that the Fund will not have the right to sell the property at a time that otherwise could result in the property being sold for its maximum value.

In the event that the Fund's interests become adverse to those of the other co-owners, the Fund may not have the contractual right to purchase the co-ownership interests from the other co-owners. Even if the Fund is given the opportunity to purchase such co-ownership interests in the future, the Fund cannot guarantee that the Fund will have sufficient funds available at the time to purchase co-ownership interests from the co-owners.

The Fund may want to sell its co-ownership interests in a given property at a time when the other co-owners in such property do not desire to sell their interests. Therefore, because the Fund anticipates that it will be much more difficult to find a willing buyer for its co-ownership interests in a property than it would be to find a buyer for a property owned outright, the Fund may not be able to sell its interest in a property at the time the Fund would like to sell.

The co-ownerships interests may also be owned by Affiliates of the Fund or the Sponsor. There is no guarantee that such Affiliates will make decisions with respect to such real property or real property assets that are in the best interests of the Fund, and the General Partner and the Fund may have no ability to require such Affiliates to act in the best interests of the Fund. Such adverse decisions may affect an investment in the Units or the Fund's ability to make distributions to the Limited Partners.

Tax Risks Associated with Owning Units.

This Memorandum is not intended to and does not provide potential investors with detailed advice related to how the purchase, ownership,

and disposition of Units in the Fund will be treated for federal or state income tax purposes. The Fund urges potential investors to consult with their tax advisor for a detailed explanation of how their individual tax-related issues might affect an investment in Units.

Cybersecurity risks and cyber incidents may adversely affect the Fund's business by causing a disruption to its operations, a compromise or corruption of its confidential information, and/or damage to its business relationships, all of which could negatively impact the Fund's financial results.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity, or availability of the Fund's information resources. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to our information systems for purposes of misappropriating assets, stealing confidential information, corrupting data, or causing operational disruption. The result of these incidents may include disrupted operations, misstated or unreliable financial data, liability for stolen assets or information, increased cybersecurity protection, and insurance costs, litigation, and damage to the tenant and investor relationships.

The Fund may enter into Side Letters pursuant to which the Fund alters the rights and preferences of certain Class A Limited Partners, if agreed to by such Class A Limited Partners. Such terms may differ materially from the rights and preferences listed in this Memorandum and the Limited Partnership Agreement of the other Class A Limited Partners and the Fund has no obligation to disclose such Side Letter to any person.

The Fund may enter into Side Letters pursuant to which the Fund alters the rights and preferences of certain Class A Limited Partners, if agreed to by such Class A Limited Partners. Such terms may differ materially from the rights and preferences listed in this Memorandum and the Limited Partnership Agreement of the other Class A Limited Partners and the Fund has no obligation to disclose such Side Letters to any person. The result of the Side Letters may be that a Class A Limited Partner has rights and preferences senior to those of your investment in the Fund and the Fund has no obligation to disclose such preferences and rights to you.

RISKS RELATED TO THE GENERAL PARTNER AND ITS ADVISORS AND AFFILIATES

The Fund's General Partner, including its advisors and Affiliates, face conflicts of interest caused by their compensation arrangements with the Fund, which could result in actions that are not in the long-term best interests of the Fund's investors.

The Fund's General Partner, including its advisors and Affiliates, are entitled to substantial fees from the Fund under the terms of the Limited Partnership Agreement and certain other agreements, including management contracts. These fees could influence the judgment of the General Partner and its Affiliates in performing services for the Fund.

Payment of fees to the General Partner and its advisors and Affiliates will

The General Partner and its advisors and Affiliates perform services for the Fund in connection with the distribution of the Fund's Units, the selection and acquisition of the Fund's investments, and the

reduce the cash available for investment and distribution and will increase the risk that an investor will not be able to recover the amount of its investment in the Units.

management of the Fund's assets. The Fund pays its advisors and Affiliates fees for these services, which will reduce the amount of cash available for investments or distributions to the Fund's Class A Limited Partners. The fees the Fund pays to its General Partner and its Affiliates decrease the value of the Fund's portfolio and increase the risk investors may not receive a return on their investment in the Units.

The Class B Limited Partners and the General Partner face conflicts of interest relating to the incentive fee structure under the Fund's Limited Partnership Agreement, which could result in actions that are not necessarily in the long-term best interests of the Fund's investors.

Pursuant to the terms of the Limited Partnership Agreement, the Class B Limited Partners and the General Partner are entitled to any excess profits above payment of the Class A Preferred Return (or, in the case of Net Cash Flow From Refinance or Sale, after payment of the applicable preferred return and return of capital). The Class B Limited Partners and the General Partner, therefore, could be motivated to recommend riskier or more speculative investments in order for the Fund to generate the specified levels of performance that would entitle the Class B Limited Partners and General Partner to incentive compensation.

The Class B Limited Partner and General Partner and their Affiliates face conflicts of interest with respect to the allocation of investment opportunities between the Fund and other real estate programs that are managed by Affiliates of the General Partner.

The Fund relies on the General Partner and its Affiliates and advisors to identify and select potential real estate investment opportunities on the Fund's behalf. At the same time, the General Partner's Affiliates and advisor manage other real estate programs sponsored by the Sponsor that may have investment objectives and investment strategies that are similar to the Fund's objectives and strategies. As a result, such Affiliates and advisors could face conflicts of interest in allocating real estate acquisition opportunities as they become available. If one of these other real estate programs attracts a tenant that the Fund is competing for, the Fund could suffer a loss of revenue due to delays in locating another suitable tenant. Similar conflicts of interest may arise if the Fund's advisor recommends that the Fund makes or purchases mortgage loans or participations in mortgage loans, since another real estate program sponsored by Caliber may be competing with the Fund for these investments. Each investor will not have the opportunity to evaluate the manner in which these conflicts of interest are resolved before or after making the investment in Units.

The General Partner's advisors and officers, including its key personnel and officers, face conflicts of interest related to the positions they hold with affiliated and unaffiliated entities, which could hinder the Fund's ability to successfully implement its business strategy and to generate returns to the

The General Partner is indirectly managed by John C. Loeffler II and other key personnel. Mr. Loeffler has other business interests as well. As a result, key personnel may have duties to other entities and their stockholders, members and limited partners, in addition to business interests in other entities. These duties to such other entities and persons may create conflicts with the duties that they owe indirectly to the Fund. There is a risk that their loyalties to these other entities could result in actions or inactions that are adverse to the Fund's business and violate their fiduciary duties to the Fund, which could harm the implementation of the Fund's investment strategy and its investment and leasing opportunities.

Limited Partners and distributions to the Class A Limited Partners.

Conflicts with the Fund's business and interests are most likely to arise from involvement in activities related to (1) allocation of new investments and management time and services between the Fund and the other entities, (2) the Fund's purchase of properties from, or sale of properties to, affiliated entities, (3) the timing and terms of the investment in or sale of an asset, (4) development of the Fund's properties by Affiliates, (5) investments with Affiliates of the General Partner, and (6) compensation to the General Partner and its Affiliates. If the Fund does not successfully implement its investment strategy, the Fund may be unable to maintain or increase the value of its assets and its operating cash flows and ability to pay distributions could be adversely affected.

The Fund's success depends to a significant degree upon certain key personnel of the General Partner. If the General Partner is unable to obtain key personnel, the Fund's ability to achieve its investment objectives could be delayed or hindered, which could adversely affect the Fund's ability to pay distributions to Limited Partners.

The Fund's success depends to a significant degree upon the contributions of certain executive officers and other key personnel of the General Partner, as described in detail in this Memorandum, each of whom would be difficult to replace. The Fund cannot guarantee that all of these key personnel, or any particular person, will remain affiliated with the Fund, its Sponsor, and/or advisors and Affiliates. If any of the Fund's key personnel were to cease their affiliation with the General Partner, the Fund's operating results could suffer. Further, as of the date of this Memorandum the Fund does not separately maintain key person life insurance on any person and the Fund may not do so in the future. The Fund believes that its future success depends, in large part, upon the General Partner's ability to hire and retain highly skilled managerial, operational, and marketing personnel. Competition for such personnel is intense, and the Fund cannot assure potential investors that the Fund's Sponsor, General Partner, or advisors will be successful in attracting and retaining such skilled personnel. If the General Partner or its Affiliates lose or are unable to obtain the services of key personnel, the Fund's ability to implement its investment strategies could be delayed or hindered, and the amount available for distribution to the Limited Partners may decline.

The Fund's Sponsor is an affiliate of the General Partner and, therefore, each investor will not have the benefit of an independent review of the Memorandum or of the Fund that customarily is performed.

The Fund's Sponsor is an affiliate of the General Partner and, as a result, is not in a position to make an independent review of the Fund or of this Offering. Accordingly, each investor will have to rely on its own broker-dealer or financial advisor to make an independent review of the terms of this Offering.

The Fund is permitted to acquire assets and borrow funds from Affiliates of the General Partner, and any such transaction could result in conflicts of interest.

The Fund is permitted to acquire assets and borrow funds from Affiliates of the General Partner, and any such transaction could result in a conflict of interest. This may result in the Fund paying more than the General Partner or its Affiliates paid for an asset or the rate at which such Affiliates are able to borrow funds.

The General Partner or its Affiliates may create special purpose

entities to acquire properties for the specific purpose of selling the properties to the Fund, and the Fund may acquire such properties.

From time to time, the Fund may borrow funds from Affiliates of the General Partner, including the Sponsor, as bridge financing to enable the Fund to acquire a property or for the purpose of providing short term financing as necessary. No such transactions must be approved by the Limited Partners. In general, these transactions occur regularly in the marketplace at rates substantially higher than conventional bank financing

The General Partner faces conflicts of interest relating to joint ventures or other co-ownership arrangements that the Fund may enter into with real estate programs sponsored by the Fund's Sponsor, which could result in a disproportionate benefit to the Sponsor or a real estate program sponsored by the Fund's Sponsor.

The Fund may enter into joint ventures with a real estate program sponsored by the Fund's Sponsor for the acquisition, development, or improvement of properties as well as the acquisition of real estate-related investments. Officers and key persons of the General Partner also are officers and key persons of funds sponsored by the Fund's Sponsor, and/or their advisors, the general partners of real estate programs sponsored by the Sponsor and/or the advisors or fiduciaries of real estate programs sponsored by the Sponsor. These officers and key persons may face conflicts of interest in determining which real estate program should enter into any particular joint venture or co-ownership arrangement. These persons also may have a conflict in structuring the terms of the relationship between the Fund and any affiliated co-venturer or co-owner, as well as conflicts of interests in managing the joint venture.

The General Partner faces conflicts of interest relating to lending (especially on an unsecured basis) arrangements that the Fund may enter into with real estate programs sponsored by the Fund's Sponsor, which could result in a disproportionate benefit to the Sponsor or a real estate program sponsored by the Fund's Sponsor or create a conflict of interest the General Partner will have to manage if the underlying asset becomes non-performing or under-performing.

Substantially all of the Fund's investment activities as of the date of this Memorandum (and most likely going forward in at least the near term) involve lending directly to Affiliates of the Sponsor. Many of these investments are on a non-secured basis or are in the form of "equity investments" that have "debt-like" features (e.g., acquiring a "Class A Interest" in a fund or other entity that is managed by the Sponsor pursuant to which such interest is only entitled to a preferred return and return of capital (substantially the same as the Class A Units offered in this Offering)). This arrangement may cause significant conflicts of interest between the General Partner and the Sponsor affiliated entities that the Fund makes an investment into, including the following:

- the risk that the Manager will have an incentive, especially if the underlying asset is underperforming or non-performing, to subordinate the Fund's investment in such affiliated entity to another third-party lender (which could cause an otherwise secured interest to become under secured or non-secured);

- the risk that the Fund may enter into loans or "mezzanine debt-like" equity investments and any subsequent work-out agreements, forbearance agreements or other similar documents that are not in the best interest of the Fund (and

possibly in the best interest of the affiliated entities the Fund has made an investment into);

- if a Sponsor' related entity that the Fund has loaned money to such entity (either by way of a debt investment or "mezzanine debt-like" equity investments) defaults on its loan obligations, the Sponsor may have reduced incentives to take actions (including foreclosure or pursuing other remedies, including breach of any fiduciary duties) against the borrower because such action may be to the detriment of the Sponsor or other investors that have invested in other Caliber sponsored funds or other investment vehicles;

- the risk that the Fund will overinvest in unsecured notes in the Sponsor or its Affiliates, and such loan proceeds are used in the continuing the ongoing day to day operations of the Sponsor and not in assets or entities that provide regular cash flow.

Each of the above risks and other related risks may result in the Fund not securing regular cash flow and significant (possibly complete) loss of principle invested by the Fund into the Sponsor' related entities, which in turn, will reduce the cash flow available for distribution to the Investors and possibly result in loss of principle invested by the Investors into the Class A Units.

RISKS RELATED TO INVESTMENTS IN REAL ESTATE (including risks when the underlying asset base or collateral/security is real estate. Reference in this Section to the "Fund's properties" or other similar phrases includes indirect investments in such properties or when such properties act as collateral or security of a secured loan held by the Fund)

The properties that act as collateral to debt held by the Fund or properties that are the underlying asset of an investment by the Fund may be dependent upon a single tenant, or a limited number of major tenants, for all or a majority of its rental income; therefore, the Fund's financial condition and ability to make distributions to an investor may be adversely affected by the bankruptcy or insolvency, a downturn in the business or a lease termination, of a single tenant.

The properties that act as collateral to debt held by the Fund or properties that are the underlying asset of an investment by the Fund may be occupied by only one tenant or derive a majority of their rental income from a limited number of major tenants and, therefore, the success of those properties is materially dependent on the financial stability of such tenants. Such tenants face competition within their industries and other factors that could reduce their ability to make rent payments. Lease payment defaults by such tenants could cause the Fund to reduce the amount of distributions the Fund pays. A default of a single or major tenant on its lease payments to the Fund would cause the Fund to lose revenue from the property and force the Fund to find an alternative source of revenue to meet any expenses associated with the property and prevent a foreclosure if the property is subject to a mortgage. In the event of a default by a single or major tenant, the Fund may experience delays in enforcing its rights as landlord and may incur substantial costs in protecting its investment and re-letting the property. If a lease is terminated, the Fund may not be able to lease the property for the rent previously received or sell the property without incurring a loss. A default by a single or major tenant, the failure of a guarantor to fulfill its

obligations or other premature termination of a lease to such a tenant, or such 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 to Limited Partners.

To the extent the Fund acquires industrial properties, the demand for and profitability of the Fund's industrial properties may be adversely affected by fluctuations in manufacturing activity in the United States.

The Fund may invest in industrial properties that share some of the same core characteristics as the Fund's other commercial properties. To the extent the Fund acquires industrial properties; such properties may be adversely affected if manufacturing activity decreases in the United States. Trade agreements with foreign countries have given employers the option to utilize less expensive non-US manufacturing workers. The outsourcing of manufacturing functions could lower the demand for the Fund's industrial properties. Moreover, an increase in the cost of raw materials or decrease in the demand for housing could cause a slowdown in manufacturing activity, such as furniture, textiles, machinery, and chemical products, and the Fund's profitability may be adversely affected.

If a major tenant declares bankruptcy, the Fund may be unable to collect balances due under relevant leases, which could have a material adverse effect on the Fund's financial condition and ability to pay distributions to the Limited Partners.

The Fund may experience concentration in one or more tenants. Any of its tenants, or any guarantor of one of its tenant's lease obligations, could be subject to a bankruptcy proceeding pursuant to Title 11 of the bankruptcy laws of the United States. The bankruptcy of a tenant or lease guarantor could delay the Fund's 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 the Fund's operating cash flows and the amount available for distributions to investors. In the event a tenant or lease guarantor declares bankruptcy, the tenant or its trustee may not assume our lease or its guaranty. If a given lease or guaranty is not assumed, the Fund's operating cash flows and the amounts available for distributions to Limited Partners may be adversely affected. Accordingly, the bankruptcy of a major tenant could have a material adverse effect on the Fund's ability to pay distributions to the Limited Partners.

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

The Fund may enter into sale-leaseback transactions, whereby the Fund would purchase a property and then lease the same property back to the person from whom the Fund 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, either of which outcomes could adversely impact the Fund's financial condition, cash flow and the amount available for distributions to the Limited Partners.

If the sale-leaseback were re-characterized as a financing, the Fund might not be considered the owner of the property, and the Fund would have the status of a creditor in relation to the tenant. In that event, the Fund would no longer have the right to sell or encumber its ownership interest in the property. Instead, the Fund 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, the Fund could be bound by the new terms, and prevented from foreclosing its lien on the property. If the sale-leaseback were re-characterized as a joint venture, the Fund could be treated as co-venturer with the lessee with regard to the property. As a result, the Fund could be held liable, under some circumstances, for debts incurred by the lessee relating to the property.

The Fund's real estate investments may include special use single-tenant properties that may be difficult to sell or release upon lease terminations.

The Fund may invest in necessity single-tenant commercial properties, a number of which may include special use single-tenant properties. If the leases on these properties are terminated or not renewed, the Fund may have difficulty re-leasing or selling these properties to a party other than the tenant due to the special purpose for which the property may have been designed. Therefore, the Fund may be required to expend substantial funds to renovate the property or make rent concessions in order to lease the property to another tenant or sell the property. These and other limitations may adversely impact the cash flows from, or lead to a decline in value of, these special use single-tenant properties.

A high concentration of the Fund's 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.

In the event that the Fund has a concentration of properties in any particular geographic area, any adverse situation that disproportionately impacts that geographic area would have a magnified adverse impact on our portfolio. Similarly, if tenants of our properties become concentrated in a certain industry or industries, any adverse impact on that industry generally would have a disproportionately adverse impact on the Fund's portfolio.

The Fund's portfolio of properties could include retail properties. The Fund's performance, therefore, is linked to the market for retail space generally and a downturn in the retail market could have an adverse effect on the Fund.

The market for retail space has been and could be adversely affected by weaknesses in the national, regional and local economies, the adverse financial condition of some large retailing companies, the ongoing consolidation in the retail sector, excess amounts of retail space in a number of markets and competition for tenants with other shopping centers in the Fund's markets. Customer traffic to these shopping areas may be adversely affected by the closing of stores in the same shopping center, or by a reduction in traffic to these stores resulting from a regional economic downturn, a general downturn in the local area where our store is located, or a decline in the desirability of the shopping environment of a particular shopping center. A reduction in customer traffic could have a material adverse effect on the Fund's business, financial condition and results of operations.

The Fund's operating results will be affected by economic and regulatory changes that impact the real estate market in general.

The Fund is subject to risks generally attributable to the ownership of real property, including:

- changes in global, national, regional, or local economic, demographic or capital market conditions;
- current and future adverse national real estate trends, including increasing vacancy rates, which may negatively

impact resale value, declining rental rates, and general deterioration of market conditions;
- changes in supply of or demand for similar properties in a given market or metropolitan area that will result in changes in market rental rates or occupancy levels;
- increased competition for real property investments targeted by the Fund's investment strategy;
- bankruptcies, financial difficulties, or lease defaults by the Fund's tenants;
- changes in interest rates and availability of financing; and
- changes in government rules, regulations, and fiscal policies, including changes in tax, real estate, environmental, and zoning laws.

All of these factors are beyond the Fund's control. Any negative changes in these factors could affect the Fund's ability to meet the Fund's obligations and make distributions to Limited Partners.

The Fund faces risks associated with property acquisitions, which may adversely impact the Fund's ability to pay distributions to the Limited Partners.

The Fund intends to acquire properties and portfolios of properties, including large portfolios that will increase the Fund's size and result in changes to the Fund's capital structure. The Fund's acquisition activities and their success are subject to the following risks:

- The Fund may be unable to complete an acquisition after making a non-refundable deposit and incurring certain other acquisition-related costs;
- The Fund may be unable to obtain financing for acquisitions on favorable terms or at all;
- acquired properties may fail to perform as expected;
- the actual costs of repositioning or redeveloping acquired properties may be greater than the Fund's estimates;
- acquired properties may be located in new markets in which he Fund may face risks associated with a lack of market knowledge or understanding of the local economy, lack of business relationships in the area and unfamiliarity with local governmental and permitting procedures; and
- the Fund may be unable to quickly and efficiently integrate new acquisitions, particularly acquisitions of portfolios of properties, into the Fund's existing operations.

These acquisition risks may reduce the Fund's ability to pay distributions to the Limited Partners and may negatively impact the value of a Limited Partner's investment in the Fund.

A significant number of the Fund's assets may be in public places such as shopping centers. Because these assets are public places, crimes, violence, and

Because many of the Fund's assets may be open to the public, the assets are exposed to a number of incidents that may take place within their premises and that are beyond the Fund's control or its ability to prevent, which may harm the Fund's consumers and visitors. Some of the Fund's assets may be located in large urban areas, which can be subject to elevated levels of crime and urban violence. If violence

other incidents beyond the Fund's control may occur, which could result in a reduction of business traffic at the Fund's properties and could expose the Fund to civil liability.

escalates, the Fund may lose tenants or be forced to close its assets for some time. If any of these incidents were to occur, the relevant asset could face material damage to its image and the property could experience a reduction of business traffic due to lack of confidence in the premises' security. In addition, the Fund may be exposed to civil liability and be required to indemnify the victims, which could adversely affect the Fund. Should any of the Fund's assets be involved in incidents of this kind, the Fund's business, financial condition, and results of operations could be adversely affected.

The Fund's portfolio of properties could include hotel and other hospitality properties. The Fund's performance, therefore, is linked to the market for travel and tourism generally and a downturn in such markets could have an adverse effect on the Fund.

The market for travel and tourism could be adversely affected by weaknesses in the national, regional, and local economies. To the extent that the market for hotel rooms decreases, a hotel property owned and managed by the Fund may not perform as hoped, which may lead to less cash flow available for distributions to the Limited Partners. Further, to the extent that additional hotels are opened or renovated close to or near existing hotels operated by the Fund, then such hotel properties may not be able to attract guests as easily.

Increased competition from alternative retail channels could adversely impact the Fund's retail tenants' profitability and ability to make timely lease payments to us.

Traditional retailers face increasing competition from alternative retail channels, including factory outlet centers, wholesale clubs, mail order catalogs, television shopping networks, and various forms of e-commerce.

The increasing competition from such alternative retail channels could adversely impact the Fund's retail tenants' profitability and ability to make timely lease payments to the Fund. If the Fund's retail tenants are unable to make timely lease payments to the Fund, the Fund's operating cash flows could be adversely affected.

The insurance the Fund carries on the Fund's real estate may be insufficient to pay for all potential losses or damage to the Fund's properties.

The General Partner will select policy specifications and insured limits that it believes to be appropriate and adequate given the relative risk of loss, the cost of the coverage and industry practice. Insurance policies on the Fund's properties may include some coverage for losses that are generally catastrophic in nature, such as losses due to terrorism, earthquakes, and floods, but the Fund cannot be sure that it will be adequate to cover all losses and some of the Fund's policies will be subject to limitations involving large deductibles or co-payments and policy limits which may not be sufficient to cover losses. If the Fund or one or more of the Fund's tenants experience a loss which is uninsured or which exceeds policy limits, the Fund could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, the Fund would continue to be liable for the indebtedness, even if these properties were irreparably damaged.

The Fund may be unable to

When tenants do not renew their leases or otherwise vacate their

obtain funds for future tenant improvements, which could adversely impact the Fund's ability to pay cash distributions to Limited Partners, the value of the Fund's properties and the Fund's ability to attract new tenants.

space, it is usual that, in order to attract replacement tenants, the Fund will be required to expend substantial funds for tenant improvements and tenant refurbishments to the vacated space. In addition, although the Fund expects that its leases with tenants will require tenants to pay routine property maintenance costs and other expenses, the Fund may be responsible for any major structural repairs, such as repairs to the foundation, exterior walls, and rooftops. It the Fund needs additional capital in the future to improve or maintain the Fund's properties or for any other reason, the Fund will have to obtain funds from available sources, if any, including operating cash flows, borrowings sales from this offering, or property sales. The use of cash from these sources may reduce the amount of capital the Fund has available to invest in real estate, negatively impact the value of the Fund's investment and reduce distributions to the Limited Partners. If additional capital is not available, this may adversely impact the value of the properties and the Fund's ability to attract new tenants.

The Fund faces significant competition for tenants for the Fund's properties, which may impact the Fund's ability to attract and retain tenants at reasonable rent levels.

The Fund faces significant competition from owners, operators, and developers of retail real estate properties. Substantially all of the Fund's properties will face competition from similar properties in the same market. This competition may affect the Fund's ability to attract and retain tenants and may reduce the rents the Fund is able to charge. These competing properties may have vacancy rates higher than the Fund's properties, which may result in their owners being willing to lease available space at lower prices than the space in the Fund's properties. Due to such competition, the terms and conditions of any lease that the Fund enters into with the Fund's tenants may vary substantially from those described in this Memorandum.

The Fund may face potential difficulties or delays renewing leases or re-leasing space, which could adversely impact the Fund's cash flows and the Fund's ability to pay distributions.

The Fund may derive a significant portion of its revenues from rent received from its tenants. The Fund will seek to lease the rentable square feet at the Fund's real estate properties to creditworthy tenants. However, if a tenant experiences a downturn in its business or other types of financial distress, it may be unable to make timely rental payments. Also, when the Fund's tenants decide not to renew their leases or terminate early, the Fund may not be able to re-let the space. Even if tenants decide to renew or lease new space, the terms of renewals or new leases, including the cost of required renovations or concessions to tenants, may be less favorable to the Fund than current lease terms. As a result, the Fund's revenues and ability to pay distributions to Limited Partners could be adversely affected. In addition, the presence of hazardous or toxic substances on the Fund's real estate properties may adversely affect the Fund's ability to lease such property.

The Fund is exposed to inflation risk as income from long-term leases will be a source of the Fund's cash flows from operations.

The Fund is exposed to inflation risk, as income from long-term leases will be a source of the Fund's cash flows 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 the Fund does not accurately estimate inflation or

market lease rates. Provisions of the Fund's leases designed to mitigate the risk of inflation and unexpected increases in market lease rates, such as periodic rental increases, may not adequately protect the Fund from the impact of inflation or unexpected increases in market lease rates. If the Fund is subject to below-market lease rates on a significant number of the Fund's properties pursuant to long-term leases, the Fund's cash flow from operations and financial position may be adversely affected.

The Fund may have difficulty selling its real estate properties, which may limit the Fund's flexibility and ability to pay distributions.

Because real estate investments are relatively illiquid, it could be difficult for the Fund to promptly sell one or more of the Fund's real estate properties on favorable terms. This may limit the Fund's ability to change its portfolio promptly in response to adverse changes in the performance of any such property or economic or market trends. These restrictions could adversely affect the Fund's ability to achieve its investment objectives.

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

A lock-out provision is a provision that prohibits the prepayment of a loan during a specified period of time. Lock-out provisions may include terms that provide strong financial disincentives for borrowers to prepay their outstanding loan balance and exist in order to protect the yield expectations of lenders. The Fund expects that many of its properties will be subject to lock-out provisions. Lock-out provisions could materially restrict the Fund from selling or otherwise disposing of or refinancing properties when the Fund may desire to do so. Lock-out provisions may prohibit the Fund 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 the Fund's ability to take other actions during the lock-out period that could be in the best interests of its Limited Partners and, therefore, may have an adverse impact on the ability of the Fund to make distributions to the Limited Partners. In particular, lock-out provisions could preclude the Fund from participating in major transactions that could result in a disposition of its assets or a change in control even though that disposition or change in control might be in the best interests of the Limited Partners.

The Fund may obtain only limited warranties when the Fund purchases a property and would have only limited recourse in the event its due diligence did not identify any issues that lower the value of the 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. The purchase of properties with limited warranties increases the risk that the Fund may lose some or all of its invested capital in the property, as well as the loss of rental income from that property.

Costs of complying with governmental laws and

Real property and the operations conducted on real property are subject to federal, state, and local laws and regulations relating to

regulations may reduce the Fund's net income and the cash available for distributions to the Limited Partners.

environmental protection and human health and safety. The Fund could be subject to liability in the form of fines or damages for noncompliance with these laws and regulations. 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 hazardous materials, the remediation of contaminated property associated with the disposal of solid and hazardous materials, and other health and safety-related concerns.

From time to time, the Fund may acquire properties or interests in properties, with known adverse environmental conditions where it believes that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield an attractive risk-adjusted return. In such an instance, the Fund will estimate the costs of environmental investigation, clean-up and monitoring and factor them into the amount it will pay for such properties. Further, in connection with property dispositions, the Fund may agree to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties.

The Fund's properties may be subject to the Americans with Disabilities Act of 1990, as amended (the "ADA"). Under the ADA, all places of public accommodation must meet federal requirements related to access and use by persons with disabilities. The ADA'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. Additional or new federal, state, and local laws also may require modifications to our properties or restrict our ability to renovate properties. The Fund will attempt to acquire properties that comply with the ADA and other similar legislation or place the burden on the seller or other third-party, such as a tenant, to ensure compliance with such legislation. However, the Fund cannot assure potential investors that it will be able to acquire properties or allocate responsibilities in this manner. If it cannot, or if changes to the ADA mandate further changes to its properties, then the funds used for ADA compliance may reduce cash available for distributions and the amount of distributions to Limited Partners.

In some instances, the General Partner may rely on third-party property managers to operate the Fund's properties and leasing agents to lease vacancies in its properties.

The General Partner expects that, in some instances, the General Partner will rely on third-party property managers and leasing agents. The third-party property managers will have significant decision-making authority with respect to the management of the Fund's properties. The Fund's ability to direct and control how its properties are managed may be limited. The Fund will not supervise any of the property managers or leasing agents or any of their respective personnel on a day-to-day basis. Thus, the success of the Fund's business may depend in part on the ability of the Fund's third-party property managers to manage the day-to-day operations and the ability of the Fund's leasing agents to lease vacancies in its

properties. Any adversity experienced by the property managers or leasing agents could adversely impact the operation and profitability of the Fund's properties and, consequently, the Fund's ability to achieve its investment objectives, including, without limitation, diversification of the real estate properties portfolio by property type and location, moderate financial leverage, conservative levels of operating risk and an attractive level of current income.

RISKS RELATED TO INVESTMENTS IN REAL ESTATE-RELATED ASSETS

The real estate-related equity securities in which the Fund may invest are subject to specific risks relating to the particular issuer of the securities and may be subject to the general risks of investing in subordinated real estate securities.

The Fund may invest in equity securities of both publicly traded and private real estate companies, which involves a higher degree of risk than debt securities due to a variety of factors, including that such investments are subordinate to creditors and are not secured by the issuer's property. The Fund's investments in real estate-related equity securities will involve special risks relating to the particular issuer of the equity securities, including the financial condition and business outlook of the issuer. Issuers of real estate-related equity securities generally invest in real estate or real estate-related assets and are subject to the inherent risks associated with real estate discussed in this Memorandum, including risks relating to rising interest rates.

The value of the real estate-related securities in which the Fund may invest may be volatile.

The value of real estate-related securities fluctuates in response to issuer, political, market, and economic developments. In the short term, equity prices can fluctuate dramatically in response to these developments. Different parts of the market and different types of equity securities can react differently to these developments and they can affect a single issuer, multiple issuers within an industry or economic sector or geographic region or the market as a whole. The real estate industry is sensitive to economic downturns. The value of securities of companies engaged in real estate activities can be affected by changes in real estate values and rental income, property taxes, interest rates, and tax and regulatory requirements.

CMBS in which the Fund may invest are subject to several types of risks that may adversely impact our performance.

Commercial mortgage-backed securities ("CMBS") are bonds that evidence interests in, or are secured by, a single commercial mortgage loan or a pool of commercial mortgage loans. Accordingly, the mortgage-backed securities the Fund invests in are subject to all the risks of the underlying mortgage loans, including the risks of prepayment or default.

In a rising interest rate environment, the value of CMBS may be adversely affected when repayments on underlying mortgage loans do not occur as anticipated, resulting in the extension of the security's effective maturity and the related increase in interest rate sensitivity of a longer-term instrument. The prices of lower credit quality securities are generally less sensitive to interest rate changes than more highly rated assets but more sensitive to adverse economic downturns or individual issuer developments. A projection of an

economic downturn, for example, could cause a decline in the price of lower credit quality securities because the ability of obligors of mortgages underlying CMBS to make principal and interest payments or to refinance may be impaired. In this case, existing credit support in the securitization structure may be insufficient to protect us against loss of our principal on these securities. The value of CMBS also may change due to shifts in the market's perception of issuers and regulatory or tax changes adversely affecting the mortgage securities markets as a whole. In addition, CMBS are subject to the credit risk associated with the performance of the underlying mortgage properties.

CMBS are also subject to several risks created through the securitization process. Certain subordinate CMBS are paid interest only to the extent that there are funds available to make payments. To the extent the collateral pool includes a large percentage of delinquent loans, there is a risk that interest payment on subordinate CMBS will not be fully paid. Subordinate securities of CMBS are also subject to greater risk than those CMBS that are more highly rated.

The mortgage instruments in which the Fund may invest may be impacted by unfavorable real estate market conditions, which could result in losses to the Fund.

If the Fund makes investments in mortgage loans or mortgage-backed securities, the Fund will be at risk of loss on those investments, including losses as a result of defaults on mortgage loans. These losses may be caused by many conditions beyond the Fund's control, including general prevailing local, national, and global economic conditions, economic conditions affecting real estate values, tenant defaults and lease expirations, interest rate levels, and the other economic and liability risks associated with real estate described above under the heading "Risks Related to Investments in Real Estate," as well as, among other things:

- competition from comparable types of properties;
- success of tenant businesses;
- property management decisions;
- changes in use of property;
- shift of business processes and functions offshore;
- property location and condition;
- changes in specific industry segments;
- declines in regional or local real estate values, or rental or occupancy rates; and
- increases in interest rates, real estate tax rates, and other operating expenses.

If the Fund acquires a property by foreclosure following defaults under the Fund's mortgage loan investments, the Fund will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the mortgage loan, which could have a material adverse effect on its ability to achieve its investment objectives. The Fund does not know whether

the values of the property securing any of the Fund's real estate securities investments will remain at the levels existing on the dates the Fund initially makes the related investment. If the values of the underlying properties drop, the Fund's risk will increase and the values of its interests may decrease.

Delays in liquidating defaulted mortgage loan investments could reduce the Fund's investment returns.

If there are defaults under the Fund's mortgage loan investments, the Fund may not be able to foreclose on or obtain a suitable remedy with respect to such investments. Specifically, the Fund may not be able to repossess and sell the underlying properties quickly, which could reduce the value of our investment. For example, an action to foreclose on a property securing a mortgage loan is regulated by state statutes and rules and is subject to many of the delays and expenses of lawsuits if the defendant raises defenses or counterclaims. Additionally, in the event of default by a mortgagor, these restrictions, among other things, may impede our ability to foreclose on or sell the mortgaged property or to obtain proceeds sufficient to repay all amounts clue to us on the mortgage loan.

The mezzanine loans in which the Fund may invest will involve greater risks of loss than senior loans secured by income-producing real properties, which may result in losses to the Fund.

The Fund may invest in mezzanine loans that take the form of subordinated loans secured by second mortgages on the underlying real property or loans secured by a pledge of the ownership interests of either the entity owning the real property or the entity that owns the interest in the entity owning the real property. These types of investments involve a higher degree of risk than long-term senior first-lien mortgage loans secured by income producing real property because the investment may become unsecured as a result of foreclosure by the senior lender. In the event of a bankruptcy of the entity providing the pledge of its ownership interests as security, the Fund may not have full recourse to the assets of such entity, or the assets of the entity may not be sufficient to satisfy the Fund's mezzanine loan. If a borrower defaults on the Fund's mezzanine loan or debt senior to our loan, or in the event of a borrower bankruptcy, the Fund's mezzanine loan will be satisfied only after the senior debt. As a result, the Fund may not recover some or all of its investment. In addition, mezzanine loans may have higher loan-to-value ratios than conventional mortgage loans, resulting in less equity in the real property and increasing the risk of loss of principal.

Interest rate and related risks may cause the value of the Fund's real estate-related assets to be reduced.

Interest rate risk is the risk that fixed income securities such as preferred and debt securities, and to a lesser extent dividend paying common stocks, will decline in value because of changes in market interest rates. Generally, when market interest rates rise, the market value of such securities will decline, and vice versa.

During periods of rising interest rates, the average life of certain types of securities may be extended because of slower than expected principal payments. This may lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk. During periods of declining interest rates, an issuer may be able to exercise an option to prepay principal

earlier than scheduled, which is generally known as "call risk" or "prepayment risk," If this occurs, the Fund may be forced to reinvest in lower yielding securities. This is known as "reinvestment risk." Preferred and debt securities frequently have call features that allow the issuer to repurchase the security prior to its stated maturity. An issuer may redeem an obligation if the issuer can refinance the debt at a lower cost due to declining interest rates or an improvement in the credit standing of the issuer. These risks may reduce the value of the Fund's real estate-related securities investments.

RISKS ASSOCIATED WITH DEBT FINANCING

Poor credit market conditions (including those existing under the COVID-19 pandemic) could impair the Fund's ability to access debt financing, which could affect the Fund's ability to achieve its investment objectives.

The Fund may (and is permitted under the Limited Partnership Agreement) finance a portion of the purchase price of its assets by borrowing funds. Severe dislocations and liquidity disruptions in the U.S. credit markets, such as those present in the economic environment surrounding the COVID-19 pandemic, could significantly harm the Fund's ability to access capital. In the future, the Fund may not be able to access debt capital with favorable terms in a cost efficient manner, or at all, which could affect the Fund's ability to achieve its investment objectives.

The Fund intends to incur mortgage indebtedness and other borrowings, which may increase the Fund's business risks, could hinder the Fund's ability to make distributions and could decrease the value of the Fund's investment.

The Fund intends to finance a portion of its future lending activity and possible acquisition of other assets (as permitted under the Limited Partnership Agreement) by borrowing funds. In addition, the Fund may incur mortgage debt and pledge some or all of its assets (including its debt asset portfolio) as security to obtain funds to engage in additional lending activities and to acquire additional properties or for working capital. The Limited Partnership Agreement does not restrict the Fund from also obtaining such debt financing to fund Fund operations and pay expenses.

High debt levels will cause the Fund to incur higher interest charges, which would result in higher debt service payments and could be accompanied by restrictive covenants. If there is a shortfall between the cash flow from an existing promissory note held by the Fund or property of the Fund and the cash flow needed to service mortgage debt on that property, then the amount available for distributions to Limited Partners may be reduced. In addition, incurring mortgage debt increases the risk of loss since defaults on indebtedness secured by Fund assets may result in lenders initiating foreclosure actions. In that case, the Fund could lose its assets (including debt and real assets) securing the loan that is in default. For tax purposes, a foreclosure on any of the properties will be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds the tax basis in the property, the Fund will recognize taxable income on foreclosure, but the Fund may not receive any cash proceeds. The Fund may give full or partial guarantees to lenders of mortgage debt to the entities that own the assets of the Fund. When the Fund gives a guaranty on behalf of an

entity that owns Fund assets (indirectly held by the Fund through subsidiaries), the Fund will be responsible to the lender for satisfaction of the debt if it is not paid by such entity. If any mortgage contains cross-collateralization or cross-default provisions, a default on a single asset could affect multiple assets. If any of the Fund's properties are foreclosed upon due to a default, the Fund's ability to pay cash distributions to the Limited Partners will be adversely affected.

If the Fund draws on a line of credit to fund redemptions or for any other reason, the Fund's leverage will increase.

The Fund may obtain a line of credit which could provide for a ready source of liquidity to fund redemptions of the Units, in the event that redemption requests exceed the Fund's operating cash flows, liquid assets, and net proceeds from the continuous Offering. There can be no assurances that the Fund will be able to obtain future lines of credit on reasonable terms given the recent volatility in the capital markets. In addition, the Fund may not be able to obtain additional lines of credit of an appropriate size for the Fund's business until such time as the Fund has a substantial portfolio, or at all. If the Fund borrows under a line of credit to fund redemptions of Units, its leverage will increase until it receives additional net proceeds from the continuous Offering, additional operating cash flows or sell assets to repay outstanding indebtedness.

Increases in interest rates could increase the amount of the Fund's debt payments and adversely affect its ability to make distributions to Limited Partners.

The Fund may incur indebtedness that bears interest at a variable rate. Interest the Fund pays on its debt obligations will reduce cash available for distributions. To the extent that the Fund incurs variable rate debt, increases in interest rates could increase the Fund's interest costs, which could reduce its cash flows and ability to make distributions to investors. In addition, if the Fund needs to repay existing debt during periods of rising interest rates, it could be required to liquidate one or more of its investments in properties at times which may not permit realization of the maximum return on such investments.

Increases in interest rates could increase the amount of the Fund's debt payments and adversely impact its return on investment, ability to secure financing, and affect its ability to make distributions to Limited Partners.

Increases in the fed funds target rate may lead to increases in interest rates at which lenders are willing to lend to the Fund. Increased interest rates with respect to the Fund's debt will lead to a decreased return on investment for its properties and decrease the amount of money available for distribution to the Limited Partners.

Lenders may require the Fund to enter into restrictive covenants relating to its operations, which could limit its ability to make distributions to Limited Partners.

When providing financing, a lender may impose restrictions on the Fund that affect its distribution and operating policies and ability to incur additional debt. Loan documents the Fund enters into may contain covenants that limit its ability to further mortgage the property or discontinue insurance coverage. In addition, loan documents may limit the Fund's ability to replace the property manager or terminate certain operating or lease agreements related to

the property. These or other limitations may adversely affect the Fund's flexibility to make distributions to Limited Partners and the Fund's ability to achieve its investment objectives.

If the Fund enters into financing arrangements involving balloon payment obligations, it may adversely affect the Fund's ability to make distributions to Limited Partners.

Some of the Fund's financing arrangements may require it to make a lump-sum or "balloon" payment at maturity. The Fund's ability to make a balloon payment at maturity is uncertain and may depend upon the Fund's ability to obtain additional financing or its ability to sell the particular asset(s). At the time the balloon payment is due, the Fund may or may not be able to refinance the balloon payment on terms as favorable as the original loan or sell the particular asset(s) at a price sufficient to make the balloon payment. The effect of a refinancing or sale could affect the Fund's performance and cash flow available for distribution to the Limited Partners.

Failure to hedge effectively against interest rate changes may adversely affect the Fund's ability to achieve its investment objectives.

The Fund may seek to manage its exposure to interest rate volatility by using interest rate hedging arrangements, such as interest rate cap or collar agreements and interest rate swap agreements. These agreements involve risks, such as the risk that counterparties may fail to honor their obligations under these arrangements and that these arrangements may not be effective in reducing the Fund's exposure to interest rate changes. These interest rate hedging arrangements may create additional assets and/ or liabilities from time to time that may be held or liquidated separately from the underlying property or loan for which they were originally established. Hedging may reduce the overall returns on the Fund's investments. Failure to hedge effectively against interest rate changes may have an adverse effect on the Fund's ability to achieve its investment objectives.

If the Fund sells properties by providing financing to purchasers, defaults by the purchasers could adversely affect the Fund's cash flow from operations.

In some instances, the Fund may sell its properties by providing financing to purchasers. When the Fund provides financing to purchasers, it will bear the risk that the purchaser may default on its obligations under the financing, which could negatively impact cash flow from operations. Even in the absence of a purchaser default, the distribution of sale proceeds, or their reinvestment in other assets, will be delayed until the promissory notes or other property the Fund may accept upon the sale are actually paid, sold, refinanced, or otherwise disposed of. In some cases, the Fund may receive initial down payments in cash and other property in the year of sale in an amount less than the selling price, and subsequent payments will be spread over a number of years. If any purchaser defaults under a financing arrangement with the Fund, it could negatively impact the Fund's ability to pay cash distributions to Limited Partners.

RISKS RELATED TO THE FUND'S STRUCTURE

The Limited Partnership Agreement permits the General Partner to issue Units with terms that may subordinate the rights of the

The General Partner may classify or reclassify any newly issued units or other equity securities in the Fund and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, and qualifications, and terms and conditions of redemption of any such units without approval by the

holders of any class of Units.

Class A Limited Partners. Thus, the General Partner could authorize the issuance of preferred units with terms and conditions that could have priority as to distributions and amounts payable upon liquidation over the rights of the holders of any current class of Units.

The Fund has certain indemnification obligations, the triggering of which may have an adverse impact on the Fund and its cash available for distribution to its Class A Limited Partners.

The Limited Partnership Agreement expressly limits the General Partner and its officers and advisors liability by providing that the Fund and its officers, directors, agents, and employees, will not be liable or accountable, except in limited circumstances, to the Fund for losses sustained, liabilities incurred, or benefits not derived. In addition, the Limited Partnership Agreement is required to indemnify such persons to the extent permitted by applicable law from and against any and all claims arising from operations of the General Partner, unless it is established that: (1) the act or omission was committed in bad faith, was fraudulent 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 the Fund has not obtained an opinion of counsel covering the provisions set forth in the Limited Partnership Agreement that purport to waive or restrict such fiduciary duties.

The Fund's investment return may be reduced if the Fund is deemed to be an investment company under the Investment Company Act.

The Fund does not intend, or expect to be required, to register as an investment company under the Investment Company Act. Rule 3a-1 under the Investment Company Act generally provides that an issuer will not be deemed to be an "investment company" provided that, among other things, (1) it does not hold itself out as being engaged primarily, or propose to engage primarily, in the business of investing, reinvesting, or trading in securities and (2) it is not 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 the issuer's total assets (exclusive of government securities and cash items) on an unconsolidated basis. If the Fund was obligated to register as an investment company the Fund would have to comply with a variety of substantive requirements under the Investment Company Act that impose significant restrictions.

If the Fund was required to register as an investment company but failed to do so, the Fund would be prohibited from engaging in its business, and criminal and civil actions could be brought against the Fund. In addition, its contracts would be unenforceable unless a court required enforcement, and a court could appoint a receiver to take control of the Fund and liquidate its business.

Registration with the SEC as an investment company would be costly,

would subject the Fund to a host of complex regulations, and would divert the attention of management from the conduct of the Fund's business. In addition, the purchase of real estate that does not fit its investment guidelines and the purchase or sale of investment securities or other assets to preserve the Fund's status as a company not required to register as an investment company could adversely affect the amount of funds available for investment and the Fund's ability to pay distributions to the Limited Partners.

RISKS RELATED TO EMPLOYEE BENEFIT PLANS AND INDIVIDUAL RETIREMENT ACCOUNTS

In some cases, if an investor fails to meet the fiduciary and other standards under ERISA, the Code or common law as a result of an investment in the Units, an investor could be subject to liability for losses as well as civil penalties.

There are special considerations that apply to investing in the Units on behalf of pension, profit sharing or 401(k) plans, health or welfare plans, individual retirement accounts, or Keogh plans. If an investor is investing the assets of any of the entities identified in the prior sentence in the Units, such investor should satisfy itself that:

- the investment is consistent with fiduciary obligations under applicable law, including common law, ERISA and the Code;
- the investment satisfies the prudence and diversification requirements of Sections 404(a)(1)(B) and 404(a)(1)(C) of ERISA, if applicable, and other applicable provisions of ERISA, and the Code;
- the investment will not impair the liquidity of the trust, plan or Individual Retirement Account ("IRA");
- an investor will be able to value the assets of the plan annually in accordance with ERISA requirements and applicable provisions of the applicable trust, plan or IRA document; and
- the investment will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Failure to satisfy the fiduciary standards of conduct and other applicable requirements of ERISA, the Code, or other applicable statutory or common law may result in the imposition of civil penalties, and can subject the fiduciary to liability for any resulting losses as well as equitable remedies. In addition, if an investment in the Units constitutes a prohibited transaction under the Code, the "disqualified person" that engaged in the transaction may be subject to the imposition of excise taxes with respect to the amount invested.

Further, the Fund anticipates that it will generate "unrelated business taxable income" as that term is defined in Sections 511 through 514 of the U.S. Internal Revenue Code of 1986, as amended. The Fund therefore may not be a suitable investment for tax-exempt investors.

INVESTMENT OBJECTIVES, STRATEGY, AND POLICIES

Investment Objectives

The Fund was formed for the purpose of investing in real estate related debt and equity securities. The Fund's activities may include, without limitation:

(1) originating loans with various terms, interest rates, maturity timelines, and collateral positions, including without limitation, loans on either a secured or unsecured basis, and for secured debt, loans that carry either senior or subordinated positions, with such security collateral including commercial real estate assets, residential real estate assets, plant and equipment, intellectual property, other personal property such as a borrower's accounts receivable and/or cash flow;

(2) acquiring loans on the secondary market with various terms, interest rates, maturity timelines, and collateral positions, including without limitation, loans on either a secured or unsecured basis, and for secured debt, loans that carry either senior or subordinated positions, with such security collateral including commercial real estate assets, residential real estate assets, plant and equipment, intellectual property, other personal property such as a borrower's accounts receivable and/or cash flow;

(3) originating or acquiring specialty type loans or other financing arrangements, including debtor-in-possession financings, restructurings, hard-money loans, and other special situations;

(4) acquiring majority (including 100% equity positions) and minority equity interests in operating companies or asset holding companies, including, common equity positions, mezzanine equity interests, and preferred equity positions; and

(5) investing into or acquiring or refinancing assets or entities affiliated with CaliberCos, Inc., the Sponsor, or any of their Affiliates, including, without limitation, acquiring mezzanine equity positions in various assets owned or controlled by the Sponsor or its Affiliates.

The investment strategy of the Fund is to invest in assets that provide stable returns and protect against loss of principal. The General Partner, through the principals, officers, managers, and directors of the Sponsor, will make all investment decisions on behalf of the Fund.

See the Risk Factors section to read about important factors you should consider before buying Units.

Potential Competitive Strengths

The General Partner believes that the Fund will be able to distinguish itself from other investment opportunities in real estate related debt and equity securities. The Fund believes that its long-term success will be supported through the following competitive strengths:

- **Control First Strategy** – The General Partner values decision making control and quality of collateral over loan positioning. A market private debt or equity investment, with no leverage on the Fund, ensures that the General Partner will be the primary decision maker if any investment experiences financial difficulty. This contrasts with competitive funds, that value a first position debt security above all else, and utilize large amounts of portfolio leverage to financially engineer a return on investment.

- **Investment Experience** – The General Partner is experienced in owning and transforming a broad mix of real estate assets, including non-performing loans, that create beneficial opportunities based on current market conditions.

- **Boutique Sizing** – The General Partner believes Caliber's $100,000,000.00 cap on investment in the Fund (with respect to the Class A Limited Partners' Units) ensures management will remain focused on hand-selecting great investments without the pressure of an institutional fund size (and fees).

- **Real Assets Serving as Collateral** – The Fund may invest in promissory notes that are secured by residential and commercial real estate, offering the simple elegance of actually understanding what you own and what is securing your capital. The Fund, however, may also invest in other real estate related debt and equity securities.

- **Limited "Fund-Level" Fees:** Many funds and their sponsors charge fees such as construction management or development fees and deal acquisition fees, while also paying third party vendors for the actual performance of those services (i.e., so a fund is charged twice with respect to the same type of fee). No such "Fund Level" fees are charged by the Sponsor. Through the Sponsor's vertically integrated business, the Sponsor's Affiliated companies provide real estate services to the Fund at or below market-level pricing, and while a fee is charged, it is only charged once. To the extent that a third-party is engaged to provide similar services, no Sponsor's Affiliated companies will charge a fee to the Fund related to that service provided by the third-party.

- **Administrative Ease:** Because each Class A Limited Partner will be treated as a lender for tax purposes, each investor will receive a Form 1099 each year, rather than needing to file their taxes with a K-1 (i.e., treated as a partner of the Fund and filing taxes as such).

- **General Partner with Anticipated Participation ("Skin in the Game")** – As Class A Limited Partners make capital commitments to the Fund, the General Partner will invest a minimum of 1% of the capital commitments of the Class A Limited Partners within the Fund. Thus, as the Fund receives Class A Limited Partner contributions over time, the General Partner's direct investment will also grow over time, although the General Partner has the option of delaying payment of its capital contributions, in its sole and absolute discretion.

- **Flexible Strategy:** Because the Fund's structure is flexible, it can build a portfolio of income producing assets while also investing some of its capital into more opportunistic strategies. This blended approach is designed to limit risk while seeking attractive returns.

- **Quarterly Reporting, Regular Valuations:** We will strive to provide quarterly communications explaining, in simple terms, the performance of the fund and the direction being pursued by the General Partner. Such communications shall be in the discretion of the General Partner as to the timing and contents.

- **Vertical Integration:** The General Partner believes the Fund benefits from the Sponsor's vertically integrated business model, allowing greater control of the investment outcomes.

- **Insider Access:** The Fund benefits from what the General Partner believes, is considerable access to non-marketed transactions and projects, relationships with deal makers and other important members of the real estate ecosystem, and reputation for success in investing.

While the Fund believes that these factors will help distinguish it from the Fund's competitors and contribute to its long-term success, there is no guarantee that the above listed factors will provide the Fund with any actual competitive advantages.

Joint Venture Investments

The Fund may enter into joint ventures, partnerships, co-tenancies and other co-ownership arrangements with third parties, including Affiliates of the General Partner, for the acquisition, development or improvement of properties or the acquisition of other real estate-related investments. The Fund may also enter into such arrangements with real estate developers, owners, and other unaffiliated third parties for the purpose of developing, owning, and operating real properties. In determining whether to invest in a particular joint venture, the General Partner and/or its Affiliates will evaluate the underlying real property or other real estate-related investment using the same criteria described above. The General Partner and/or its Affiliates also will evaluate the joint venture or co-ownership partner and the proposed terms of the joint venture or a co-ownership arrangement.

The co-venturer may have economic or business interests or goals that are or may become inconsistent with the Fund's business interests or goals. In addition, the General Partner's officers and key persons may face a conflict in structuring the terms of the relationship between the Fund's interests and the interests of the co-venturer and in managing the joint venture. Since the Fund may enter into joint ventures with Affiliates of the Sponsor, the Fund may not have the benefit of arm's-length negotiation of the type normally conducted between unrelated co-venturers, which may result in the co-venturer receiving benefits greater than the benefits that the Fund receives. In addition, the Fund may assume liabilities related to the joint venture that exceed the percentage of the Fund's investment in the joint venture.

Development and Construction of Properties

The Fund may invest in properties on which improvements are to be constructed or completed or which require substantial renovation or refurbishment. Development of real estate properties is subject to risks relating to a builder's ability to control construction costs or to build in conformity with plans, specifications, and timetables.

In addition, the Fund may invest in unimproved properties or in mortgage loans secured by such properties. The Fund will consider a property to be an unimproved property if it was not acquired for the purpose of producing rental or other operating cash flows, has no development or construction in process at the time of acquisition, and no development or construction is planned to commence within one year of the acquisition.

In addition, an affiliate to the Sponsor or the General Partner may act as the developer or own an interest in a developer of a property acquired, either directly or indirectly and either in part or the entire property, by the Fund. In those instances, such affiliate developer may receive a developer fee. Often developer fees can be equal to 35% or more of the profits of the underlying property being developed. In those instances, the General Partner will be allocated its Carry Amount for any profits of the Fund from such development property and the affiliate developer will also receive either a capital or profits interest in the development property as well.

Investing in and Originating Loans

The criteria that the General Partner will use in making or investing in loans on the Fund's behalf is substantially the same as those involved in acquiring the Fund's investment in properties. The Fund

does not intend to make loans to other persons, to underwrite securities of other issuers or to engage in the purchase and sale of any types of investments other than those relating to real estate. However, unlike the Fund's property investments which the Fund expects to hold in excess of five years, the Fund expects that the average duration of loans will typically be one to five years. The Fund is not limited as to the amount of gross offering proceeds that it may apply to mortgage loan investments.

The Fund may invest in first, second, and third mortgage loans, mezzanine loans, bridge loans, wraparound mortgage loans, construction mortgage loans on real property, loans on leasehold interest mortgages, and CMBS held as long-term investments. However, the Fund will not make or invest in any loans that are subordinate to any mortgage or equity interest of its advisor or any of its or the Fund's Affiliates. The Fund also may invest in participations in mortgage loans. A mezzanine loan is a loan made in respect of certain real property but is secured by a lien on the ownership interests of the entity that, directly or indirectly, owns the real property. A bridge loan is short term financing, for an individual or business, until permanent or the next stage of financing can he obtained. Second mortgage and wraparound loans are secured by second or wraparound deeds of trust on real property that is already subject to prior mortgage indebtedness. A wraparound loan is one or more junior mortgage loans having a principal amount equal to the outstanding balance under the existing mortgage loan, plus the amount actually to be advanced under the wraparound mortgage loan. Under a wraparound loan, the Fund would generally make principal and interest payments on behalf of the borrower to the holders of the prior mortgage loans. Third mortgage loans are secured by third deeds of trust on real property that is already subject to prior first and second mortgage indebtedness. Construction loans are loans made for either original development or renovation of property. Construction loans in which the Fund would generally consider an investment would be secured by first deeds of trust on real property for terms of six months to two years. Loans on leasehold interests are secured by an assignment of the borrower's leasehold interest in the particular real property. These loans are generally for terms of from six months to 15 years. The leasehold interest loans are either amortized over a period that is shorter than the lease term or have a maturity date prior to the date the lease terminates. These loans would generally permit the Fund to cure any default under the lease. Mortgage participation investments are investments in partial interests of mortgages of the type described above that are made and administered by third-party mortgage lenders.

In evaluating prospective loan investments, the General Partner will consider factors such as the following:

- the ratio of the investment amount to the underlying property's value;
- the property's potential for capital appreciation;
- expected levels of rental and occupancy rates;
- the condition and use of the property;
- current and projected cash flow of the property;
- potential for rent increases;
- the degree of liquidity of the investment;
- the property's income-producing capacity;
- the quality, experience and creditworthiness of the borrower;
- general economic conditions in the area where the property is located;
- in the case of mezzanine loans, the ability to acquire the underlying real property; and
- other factors that the General Partner and its Affiliates and advisors believe are relevant.

In addition, the Fund will seek to obtain a customary lender's title insurance policy or commitment as to the priority of the mortgage or condition of the title. Because the factors considered, including the specific weight the Fund places on each factor, will vary for each prospective loan investment, the Fund does not, and is not able to, assign a specific weight or level of importance to any particular factor.

The Fund may originate loans from mortgage brokers or personal solicitations of suitable borrowers, or may purchase existing loans that were originated by other lenders. The General Partner will evaluate all potential loan investments to determine if the security for the loan and the loan-to-value ratio meets the Fund's investment criteria and objectives. Most loans that the Fund will consider for investment would provide for monthly payments of interest and some may also provide for principal amortization, although many loans of the nature that the Fund will consider provide for payments of interest only and a payment of principal in full at the end of the loan term. The Fund will not originate loans with negative amortization provisions.

The Fund does not have any policies directing the portion of its assets that may be invested in construction loans, mezzanine loans, bridge loans, loans secured by leasehold interests, and second, third, and wraparound mortgage loans. However, the Fund recognizes that these types of loans are riskier than first deeds of trust or first priority mortgages on income-producing, fee-simple properties, and the Fund expects to minimize the amount of these types of loans in our portfolio, to the extent that the Fund makes or invests in loans at all. The General Partner will evaluate the fact that these types of loans are riskier in determining the rate of interest on the loans. The Fund does not have any policy that limits the amount that it may invest in any single loan or the amount it may invest in loans to any one borrower. The Fund is not limited as to the amount of gross offering proceeds that it may use to invest in or originate loans.

The Fund's loan investments may be subject to regulation by federal, state, and local authorities and subject to various laws and judicial and administrative decisions imposing various requirements and restrictions, including among other things, regulating credit granting activities, establishing maximum interest rates and finance charges, requiring disclosures to customers, governing secured transactions, setting collection, repossession, claims handling procedures, and other trade practices. In addition, certain states have enacted legislation requiring the licensing of mortgage bankers or other lenders and these requirements may affect the Fund's ability to effectuate the proposed investments in loans. Commencement of operations in these or other jurisdictions may be dependent upon a finding of the Fund's financial responsibility, character and fitness. The Fund may determine not to make loans in any jurisdiction in which the regulatory authority determines that the Fund has not complied in all material respects with applicable requirements.

Real Estate Properties (held indirectly by the Fund or acting as collateral to loans held by the Fund)

It is not anticipated that the Fund will acquire commercial real estate properties directly, although it is anticipated that the debt and equity securities will be supported (either as collateral or underlying assets) commercial and residential real estate assets. If it does, however, the following will generally guide the Fund's acquisition of such, which may include both residential and commercial properties. Further, if the Fund invests in equity of an entity that owns real property, such real property may include the types and risk profiles described below.

The Fund intends to incur debt to acquire properties when the General Partner determines that incurring such debt is in the Fund's best interests. In addition, from time to time, the Fund may acquire some properties without financing and later incur mortgage debt secured by one or more of such

properties if favorable financing terms are available. The Fund will use the proceeds from these loans to acquire additional properties and maintain liquidity.

The Fund expects a portion of the properties acquired by the Fund will be managed and operated directly by the Fund or by a related party manager, including, hotel and apartment properties acquired by the Fund.

Retail Real Estate Properties

The Fund expects a portion of its portfolio allocated to retail real estate properties will focus on regional or national name brand retail businesses with creditworthy and established track records. The Fund will also pursue properties leased to tenants representing a variety of retail industries to avoid concentration in any one industry. These industries include all types of retail establishments, such as big box retailers, convenience stores, drug stores, and restaurant properties. The Fund expects that some of these investments will provide long-term value by virtue of their size, location, quality, and condition, and lease characteristics.

Many retail companies today are entering into sale-leaseback arrangements as a strategy for applying capital that would otherwise be applied to their real estate holdings to their core operating businesses. The Fund believes that its investment strategy will enable it to take advantage of the increased emphasis on retailers' core business operations in today's competitive corporate environment as many retailers attempt to divest from real estate assets.

Hotel Properties

The Fund may acquire Hotel Properties that are both full-service and select-service assets, as determined by industry standards, although it may also consider resort, extended stay, or other hospitality asset types. The Sponsor has acquired significant relationships and operating history with top-tier brands such as Hilton, Marriott-Starwood, and IHG, and intends to utilize those relationships to the benefit of the Fund. The General Partner will specifically seek hotel properties that present significant turn-around opportunities. Additionally, the General Partner will seek hotel properties that, when operated in tandem, can create scale efficiencies and reduce operating costs. The Fund will generally target top-tier branded properties, or those that can support a top-tier brand, but will not be limited in any way to other types of hotel properties.

Multi-Family Housing Properties

The Fund will generally seek to purchase or develop B or C grade multi-family rental properties, in excess of 100 units, to transform these properties to B or A grade properties and build value through the transformation. These transformations include purchasing old properties in great locations and completing full renovations, converting from standard rental to student-oriented rentals, and similar strategies that the General Partner believes will build value over time.

The Fund may also participate in the construction and development of for-rent or for-sale multi-family properties. The General Partner will seek to build value through strategic land acquisitions, co-developing with existing developers, and providing capital and capability to partially stalled projects. While these are the expected strategies for the Fund with multi-family properties, the General Partner may choose to incorporate any and all strategies to acquire or develop multi-family.

Office and Industrial Real Estate Properties

The Fund expects that its office properties may include recently constructed or improved, high quality, low, mid- or high-rise office buildings that are necessary to a principal tenant, subject to a long-term net lease, and used for purposes such as a corporate, regional, or product-specific headquarters. The Fund also expects that our industrial property portfolio may include recently constructed or improved, high quality industrial properties that are necessary to a single principal tenant, subject to a long-term net lease, and used for purposes such as warehousing, distribution, light manufacturing, research and development, or industrial flex facilities.

The Fund expects that some of its office and industrial properties may be multi-tenant properties, anchored by one or more principal tenants, who are creditworthy and subject to long-term net leases. The Fund expects that, from time to time, it may invest in corporate development projects, designed to construct an income producing office or industrial properly to serve one or more creditworthy tenants.

Real Estate Underwriting Process

In evaluating potential property acquisitions consistent with the Fund's investment objectives, the General Partner and its Affiliates will apply well-established underwriting processes to determine the creditworthiness of potential tenants and/or income potential from a particular investment property. Similarly, the General Partner and its Affiliates will apply its credit underwriting criteria to possible new tenants when re-leasing properties in the Fund's portfolio or property repositions or renovations. This process includes analyzing the financial data and other available information about the property and/or tenant, such as income statements, balance sheets, net worth, cash flow, business plans, data provided by industry credit rating services, and/or other information the General Partner and its Affiliates may deem relevant. Generally, properties and/or tenants must have a proven track record in order to meet the credit tests applied by the General Partner and its Affiliates. In addition, the Fund may obtain guarantees of leases by the corporate parent of a tenant, in which case the General Partner and its Affiliates will analyze the creditworthiness of the guarantor. In many instances, especially in sale-leaseback situations, where the Fund is acquiring a property from a company and simultaneously leasing it back to the company under a long-term lease, the Fund will meet with the senior management to discuss the company's business plan and strategy.

Description of Leases

The Fund expects, in many instances, to acquire tenant properties with existing double-net or triple-net leases. A triple-net lease typically requires tenants to pay all or a majority of the operating expenses, including real estate taxes, special assessments, and sales and use taxes, utilities, maintenance, insurance, and building repairs related to the property, in addition to the lease payments. A double-net lease typically requires tenants to pay for property taxes and insurance, in addition to the lease payments. Not all of the Fund's leases will be net leases.

Typically, the Fund expects to enter into leases that have terms of five (5) years or more. The Fund may acquire properties under which the lease term has partially expired. The Fund also may acquire properties with shorter lease terms if the property is in an attractive location, if the property is difficult to replace, or if the property has other significant favorable real estate attributes. Under most commercial leases, tenants are obligated to pay a predetermined annual base rent. Some of the leases also will contain provisions that increase the amount of base rent payable at points during the lease term. The Fund expects that many of its leases will contain periodic rent increases. Generally, the leases require each tenant to procure, at its own expense, commercial general liability insurance, as well as property insurance covering the building for the full replacement value and naming the ownership entity and the lender, if applicable, as the additional insured on the policy. Tenants will be required to provide proof of

insurance by furnishing a certificate of insurance to our advisor on an annual basis. The insurance certificates will be tracked and reviewed for compliance by the General Partner.

As a precautionary measure, the Fund may obtain, to the extent available, secondary liability insurance, as well as loss of rents insurance that covers one year of annual rent in the event of a rental loss. In addition, some leases require that the Fund procure insurance for both commercial general liability and property damage; however, generally the premiums are fully reimbursable from the tenant. In such instances, the policy will list the Fund as the named insured and the tenant as the additional insured.

The Fund may purchase properties and lease them back to the sellers of such properties. While the Fund intends to use its best efforts to structure any such sale-leaseback transaction (as well as other leases) so that the lease will be characterized as a "true lease" and so that the Fund is treated as the owner of the property for federal income tax purposes, the IRS could challenge this characterization. In the event that any sale-leaseback transaction (or other leases) is re-characterized as a financing transaction for federal income tax purposes, deductions for depreciation and cost recovery relating to such property would be disallowed.

Other Possible Commercial Real Estate Investments

Although the Fund expects to invest primarily in hotel, apartment, retail, office, and industrial properties, the Fund also may invest in other income-producing properties, where the properties share some of the same characteristics as the above listed properties, including one or more principal, creditworthy tenants, long-term leases, and/or strategic locations. The Fund may also invest in ground leases or specialty property, such as self-storage or other hospitality assets.

Ownership Structure

The Fund's investment in real estate generally takes the form of holding fee title or a long-term leasehold estate. The Fund expects to acquire such interests either directly or indirectly through limited liability companies, limited partnerships, or other entities owned and/or controlled by the Fund and/or General Partner. The Fund may acquire properties by acquiring the entity that holds the desired properties. The Fund also may acquire properties through investments in joint ventures, partnerships, co-tenancies, or other co-ownership arrangements with third parties, including the developers of the properties or Affiliates of the General Partner.

Investment Decisions

The Affiliates of the General Partner have substantial discretion with respect to the selection of the specific investments, subject to its own investment and borrowing policies. In pursuing investment objectives and making investment decisions on the Fund's behalf, the General Partner evaluates the proposed terms of the investment against all aspects of the transaction, including the condition and financial performance of the asset, the terms of existing leases, the creditworthiness of the tenant or tenants, and property location and characteristics. Because the factors considered, including the specific weight the Fund places on each factor, vary for each potential investment, the Fund does not, and are not able to, assign a specific weight or level of importance to any particular factor. The General Partner and its Affiliates typically procure and review an independent valuation estimate on each and every proposed investment.

Environmental Matters

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. State and federal laws in this area are constantly evolving, and the Fund intends to take commercially reasonable steps, a summary of which is described below, to protect the Fund from the impact of these laws.

The Fund generally will not purchase any property unless and until it obtains what is generally referred to as a "Phase I" environmental site assessment and are generally satisfied with the environmental status of the property. However, the Fund may purchase a property without obtaining such assessment if the General Partner determines the assessment is not necessary under the circumstances. A Phase I environmental site assessment basically consists of a visual survey of the building and the property in an attempt to identify areas of potential environmental concerns, visually observing neighboring properties to asses surface conditions or activities that may have an adverse environmental impact on the property, and contacting local governmental agency personnel who perform a regulatory agency file search in an attempt to determine any known environmental concerns in the immediate vicinity of the property. A Phase I environmental site assessment does not generally include any sampling or testing of soil, ground water or building materials from the property and may not reveal all environmental hazards on a property.

In the event the Phase I environmental site assessment uncovers potential environmental problems with a property, the General Partner will determine whether the Fund will pursue the investment opportunity and whether the Fund will have a "Phase II" environmental site assessment performed. The factors the Fund may consider in determining whether to conduct a Phase II environmental site assessment include, but are not limited to, (1) the types of operations conducted on the property and surrounding property, (2) the time, duration, and materials used during such operations, (3) the waste handling practices of any tenants or properly owners, (4) the potential for hazardous substances to be released into the environment, (5) any history of environmental law violations on the subject property and surrounding property, (6) any documented environmental releases, (7) any observations from the consultant that conducted the Phase I environmental site assessment, and (8) whether any party (i.e., surrounding property owners, prior owners, or tenants) may be responsible for addressing the environmental conditions. The Fund will determine whether to conduct a Phase II environmental site assessment on a case by case basis.

The Fund expects that some of the properties that it will acquire may contain, at the time of the Fund's investment, or may have contained prior to our investment, underground storage tanks for the storage of petroleum products and other hazardous or toxic substances. All of these operations create a potential for the release of petroleum products or other hazardous or toxic substances. Some of the Fund's potential properties may be adjacent to or near other properties that have contained or then currently contain underground storage tanks used to store petroleum products or other hazardous or toxic substances. In addition, certain of the Fund's potential properties may be on or adjacent to or near other properties upon which others, including former owners or tenants of our properties, have engaged, or may in the future engage, in activities that may release petroleum products or other hazardous or toxic substances.

From time to time, the Fund may acquire properties or interests in properties, with known adverse environmental conditions where the Fund believes that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield a superior risk-adjusted return. In such an instance, the Fund will underwrite the costs of environmental investigation, clean-up, and monitoring into the cost of acquiring the property. Further, in connection with property dispositions, the Fund may agree

to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties.

Conditions to Closing Our Acquisitions

Generally, the Fund will condition its obligation to close the purchase of any investment on the delivery and verification of certain documents from the seller or developer, including, where appropriate:

- plans and specifications;
- surveys;
- evidence of marketable title, subject to such liens and encumbrances as are acceptable to our advisor;
- financial statements covering recent operations of properties having operating histories;
- title and liability insurance policies; and
- tenant estoppel certificates.

In addition, the Fund will take such steps as it deems necessary with respect to potential environmental matters.

The Fund may enter into purchase and sale arrangements with a seller or developer of a suitable property under development or construction. In such cases, the Fund will be obligated to purchase the property at the completion of construction, provided that the construction conforms to definitive plans, specifications, and costs approved by the Fund in advance. In such cases, prior to the Fund acquiring the property, the Fund generally would receive a certificate of an architect, engineer, or other appropriate party, stating that the property complies with all plans and specifications. If renovation or remodeling is required prior to the purchase of a property, the Fund expects to pay a negotiated maximum amount to the seller upon completion.

In determining whether to purchase a particular property, the Fund may obtain an option to purchase such property. The amount paid for an option, if any, normally is forfeited if the property is not purchased and normally is credited against the purchase price if the property is purchased.

In the purchasing, leasing, and developing of properties, the Fund is subject to risks generally incident to the ownership of real estate.

Liquid Investment Portfolio

The Fund intends for our liquid investment portfolio to primarily consist of U.S. government securities, agency securities, and corporate debt. The use of the term "agency" refers to a U.S. government agency such as the Government National Mortgage Association, or Ginnie Mae, or a federally-chartered corporation such as the Federal National Mortgage Association, or Fannie Mae, or the Federal Home Loan Mortgage Corporation, or Freddie Mac.

The Fund may also invest in liquid real estate-related securities, including equity and debt securities of companies whose shares are listed for trading on a national securities exchange and are engaged in real estate activities. Listed companies engaged in real estate activities may include, for example, REITs. The Fund's investments in securities of companies engaged in activities related to real

estate will involve special risks relating to the particular issuer of the securities, including the financial condition and business outlook of the issuer.

The Fund may also make investments in CMBS to the extent permitted. CMBS are securities that evidence interests in, or are secured by, a single commercial mortgage loan or a pool of commercial mortgage loans. CMBS are generally pass-through certificates that represent beneficial ownership interests in common law trusts whose assets consist of defined portfolios of one or more commercial mortgage loans. They are typically issued in multiple tranches whereby the more senior classes are entitled to priority distributions from the trust's income. Losses and other shortfalls from expected amounts to be received on the mortgage pool are borne by the most subordinate classes, which receive payments only after the more senior classes have received all principal and/or interest to which they are entitled. CMBS are subject to all of the risks of the underlying mortgage loans. The Fund may invest in investment grade and non-investment grade CMBS classes.

Additionally, the Fund may acquire exchange traded funds, or ETFs, and mutual funds focused on REITs and real estate companies. To a lesser extent the Fund may also invest in traded securities that are unrelated to real estate and make other investments or enter into transactions designed to limit the Fund's exposure to market volatility, illiquidity, interest rate, or other risks related to our real-estate related equity or debt investments.

The Fund's cash, cash equivalents, and other short-term investments may include investments in money market instalments, cash, and other cash equivalents (such as high-quality short-term debt instruments, including commercial paper, certificates of deposit, bankers' acceptances, repurchase agreements, and interest-bearing time deposits).

Other Investments

Although it is the Fund's expectation that its portfolio will consist primarily of commercial real estate, as well as notes receivable, liquid assets, and cash and cash equivalents, the Fund may make adjustments to its target portfolio based on real estate market conditions and investment opportunities. The Fund will not forego a high quality investment because it does not precisely fit the Fund's presently expected portfolio composition. Thus, to the extent that the General Partner presents the Fund with high quality investment opportunities, the Fund's portfolio composition may vary from time to time.

In-Kind Contributions

The General Partner may accept subscriptions consisting of in-kind real estate-related assets in exchange for Units. The value of any Unit acquired by way of an in-kind contribution shall be based upon an amount that is mutually agreed to by the General Partner and the contributing investor.

Borrowing Policies

The General Partner believes that utilizing borrowing is consistent with the Fund's investment objective of maximizing the return to investors and providing the Fund with added liquidity. By operating on a leveraged basis, the Fund has more funds available for investment in properties. This allows the Fund to make more investments than would otherwise be possible, resulting in a more diversified portfolio.

At the same time, the General Partner believes in utilizing leverage in a moderate fashion. Under the Limited Partnership Agreement, the Fund is limited to borrowing amounts no more than 50% of the capital contributions of the then existing Class A Limited Partners.

The General Partner uses its reasonable efforts to obtain financing on the most favorable terms available to the Fund. The General Partner may refinance properties during the term of a loan. The benefits of the refinancing may include increased cash flow resulting from reduced debt service requirements, an increase in dividend distributions from proceeds of the refinancing, if any, or an increase in property ownership if some refinancing proceeds are reinvested in real estate,

The Fund's ability to increase the Fund's diversification through borrowing may be adversely impacted if banks and other lending institutions reduce the amount of funds available for loans secured by real estate. When interest rates on mortgage loans are high or financing is otherwise unavailable on a timely basis, the Fund may purchase properties for cash with the intention of obtaining a mortgage loan for a portion of the purchase price at a later time. To the extent that the Fund does not obtain mortgage loans on its properties, the Fund's ability to acquire additional properties will be restricted and the Fund may not be able to adequately diversify its portfolio.

The General Partner may elect to borrow against the portfolio in its discretion in order to fund redemption requests.

Investment Limitations to Avoid Registration as an Investment Company

The Fund intends to conduct its operations and the operations of subsidiaries so that each is exempt from registration as an investment company under the Investment Company Act. Under the Investment Company Act, in relevant part, a company is an "investment company" if:

- pursuant to Section 3(a)(1)(A), it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, or trading in securities; and
- pursuant to Section 3(a)(1)(C), it 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 its total assets 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) of the Investment Company Act.

The Fund will classify its assets for purposes of the Investment Company Act, including the 3(c)(5)(C) exclusion, in large measure upon no-action positions taken by the SEC staff in the past. These no-action positions were issued in accordance with factual situations that may be substantially different from the factual situations the Fund may face, and a number of these no-action positions were issued more than ten years ago. Accordingly, no assurance can be given that the SEC will concur with the Fund's classification of its assets.

For purposes of determining whether the Fund satisfies the exclusion provided by Section 3(c)(5)(C), as interpreted by the staff of the SEC, the Fund will classify the assets in which it invests as follows:

Real Property. Based on the no-action letters issued by the SEC staff, the Fund will classify its fee interests in real properties as qualifying assets. In addition, based on no-action letters issued by the SEC staff, the Fund will treat its investments in joint ventures, which in turn invest in qualifying assets such as real property, as qualifying assets only if the Fund has the right to approve major decisions affecting the joint venture; otherwise, such investments will be classified as real estate-related assets.

Securities. The Fund intends to treat as real estate-related assets debt and equity securities of both non-majority owned publicly traded and private companies primarily engaged in real estate businesses, including REITs and other real estate operating companies, and securities issued by pass-through entities of which substantially all of the assets consist of qualifying assets or real estate-related assets.

Loans. Based on the no-action letters issued by the SEC staff, the Fund will classify its investments in various types of whole loans as qualifying assets, as long as the loans are "fully secured" by an interest in real estate at the time the Fund originates or acquires the loan. However, the Fund will consider loans with loan-to-value ratios in excess of 100% to be real estate-related assets. The Fund will treat mezzanine loan investments as qualifying assets so long as they are structured as "Tier 1" mezzanine loans in accordance with the guidance published by the SEC staff in a no-action letter that discusses the classifications of Tier 1 mezzanine loans under Section 3(c)(5)(C) of the Investment Company Act.

Qualification for exemption from registration under the Investment Company Act will limit the Fund's ability to make certain investments. For example, these restrictions may limit the ability of the Fund and its subsidiaries to invest directly in mortgage-related securities that represent less than the entire ownership in a pool of mortgage loans, debt and equity tranches of securitizations and certain asset-backed securities and real estate companies or in assets not related to real estate. Although the Fund intends to monitor its portfolio, there can be no assurance that the Fund will be able to maintain this exemption from registration for the Fund or each of its subsidiaries.

A change in the value of any of the Fund's assets could negatively affect its ability to maintain its exemption from regulation under the Investment Company Act. To maintain the Fund's exemption, the Fund may be unable to sell assets it would otherwise want to sell and may need to sell assets it would otherwise wishes to retain. In addition, the Fund may have to acquire additional assets that it might not otherwise have acquired or may have to forego opportunities to acquire assets that the Fund would otherwise want to acquire and would be important to its investment strategy.

MANAGEMENT

The Fund will be managed by its General Partner, an affiliate of the Sponsor. There will only be one General Partner. Any General Partner can be removed for Cause upon the approval of the Class A Limited Partners holding 50% of the Class A Limited Partner Units, voting as a single class. "Cause" shall mean the determination of a court of competent jurisdiction that one of the following events occurred: (i) the General Partner willfully or intentionally violated, or recklessly disregarded, the General Partner's duties to the Fund; or (ii) the General Partner committed any act involving fraud, bad faith, gross negligence, dishonesty, or moral turpitude in its duties and responsibilities to the Fund. The General Partner may also withdraw as General Partner by providing written notice to the Limited Partners. In either event, a new General Partner shall be elected by the approval of the Limited Partners holding at least 50% of the Class A Limited Partner Units, voting as a single class.

General Partners Powers

As the sole general partner, the General Partner has the exclusive power under the Limited Partnership Agreement to manage and conduct the Fund's business, subject to certain limited approval and voting rights of the Limited Partners. Without limiting the generality of the foregoing, the General Partner shall have full power and authority to do the following:

- Perform administrative and ministerial functions in connection with the day-to-day operation of the Fund;
- Perform sales and accounting management functions for the Fund;
- Maintain the Fund's books and records;
- Negotiate and enter into any and all contracts by and on behalf of the Fund deemed appropriate by the General Partner, in its sole and absolute discretion, in connection with the operation of the Fund's business;
- Borrow money on behalf of the Fund, including, but not limited to, establishing lines of credit in the name of the Fund, and, in connection therewith, to execute and deliver for, on behalf of and in the name of the Fund, bonds, notes, pledges, security agreements, financing statements, profits interest agreements, assignments, and other agreements and documents creating liens on, or granting security interests in or otherwise affecting, the assets and properties of the Fund (any of which loan documents may contain confessions of judgment and powers of attorney) including, without limitation, any portfolio property, and extensions, renewals, and modifications thereof, and to prepay in whole or in part, refinance, recast, increase, modify, or extend any indebtedness of the Partnership.
- Cause the Fund to guarantee the debts or obligations of third parties that own commercial real estate assets and in which entities the Fund has an interest;
- Hold, operate, manage, and otherwise deal with Fund property;
- Purchase, sell, convey, assign, lease, rent, exchange, and otherwise dispose of, in whole or in part, any portfolio property;
- Loan funds and in connection therewith acquire portfolio debt and enter into any modifications of any portfolio debt;

- Sell all or substantially all Fund property in a single transaction or plan;

- Engage, on behalf of the Fund, all employees, agents, contractors, property managers, attorneys, accountants, securities broker-dealers, consultants, or any other Persons (including Affiliates of the General Partner), as the General Partner, in its sole and absolute discretion, deems appropriate for the performance of services in connection with the conduct, operation, and management of the Fund's business and affairs, all on such terms and for such compensation as the General Partner, in its sole and absolute discretion, deems proper and to replace any such employees, agents, contractors, property managers, attorneys, accountants, securities broker-dealers, consultants, or any other Persons, in the sole and absolute discretion of the General Partner;

- Establish and maintain working capital reserves for operating expenses, capital expenditures, normal repairs, replacements, contingencies, and other anticipated costs relating to the assets of the Fund by retaining a portion of Fund proceeds as determined from time to time by the General Partner to be reasonable under the then-existing circumstances;

- Determine the amounts of cash available for distribution, and when and in what amounts such funds shall be distributed;

- Pay the expenses of the Fund from the funds of the Fund, provided that all of the Fund's expenses shall, to the extent feasible, be billed directly to and paid by the Fund

- File, on behalf of the Fund, all required local, state and federal tax returns relating to the Fund or its assets and properties, and to make or determine not to make any and all elections with respect thereto;

- Invest and reinvest the funds of the Fund and to establish bank, money market and other accounts for the deposit of the Fund's funds and permit withdrawals therefrom upon such signatures as the General Partner designates;

- Execute and deliver any and all instruments and documents, and to do any and all other things necessary or appropriate, in the General Partner's sole and absolute discretion, for the accomplishment of the business and purposes of the Fund or necessary or incidental to the protection and benefit of the Fund;

- Prosecute, defend, settle, or compromise, at the Fund's expense, any suits, actions, or claims at law or in equity to which the Fund is a party or by which it is affected as may be necessary or proper in the General Partner's sole and absolute discretion, to enforce or protect the Fund's interests, and to satisfy out of Fund's funds any judgment, decree, or decision of any court, board, agency, or authority having jurisdiction or any settlement of any suit, action, or claim prior to judgment or final decision thereon;

- Issue additional Units or other forms of interest in the Fund and admit additional Limited Partners as the General Partner may determine in its sole and absolute discretion;

- Create and issue additional limited partnership interests and classes and groups of limited partners and admit such limited partners as the General Partner may determine in its sole and absolute discretion;

- Redeem Limited Partners' Units in the Partnership and determine the methodology for carrying out any redemptions;

- Negotiate the terms of and cause the Fund to enter into joint ventures or other legal structures with one or more third parties, including with Affiliates of the General Partner, as the General Partner may determine in its sole and absolute discretion, in connection with the operation of the Fund's business;

- Reinvest any cash available for distribution;
- Enter into any transactions with an affiliate of the General Partner or any Limited Partner at arm's length terms;
- Amend the Limited Partnership Agreement to comply with the provisions of the Bipartisan Budget Act of 2015 and any U.S. Treasury Regulations or other administrative pronouncements promulgated thereunder, and to administer the effects of such provisions in an equitable manner, with each Limited Partner hereby agreeing to be bound by the provisions of any such amendment;
- Amend the Limited Partnership Agreement to address or reconcile any inconsistencies between the terms set forth therein and the terms set forth in the Private Placement Memorandum; and
- Adjust the price allocated to each Unit.

General Partner Limitations

Without the consent of the Class A Limited Partners holding at least 50% of the Units, voting as a single class, the General Partner shall not have authority to:

- Amend the Limited Partnership Agreement, other than with respect to those items specifically set forth above;
- Change the purpose of the Fund to engage in activities inconsistent with or in addition to the stated purpose of the Fund;
- Adopt a plan of merger or consolidation of the Fund with or into one or more other business entities defined in the Act at Section 17-211, as amended;
- Do any act in contravention of the Limited Partnership Agreement;
- Do any act which would make it impossible to carry on the ordinary business of the Fund, except as otherwise provided in the Limited Partnership Agreement; or
- Possess Fund property, or assign rights in specific Fund property, for other than a Fund purpose.

Advisory Board

The Fund shall have an "Advisory Board" consisting of at least three members (the "Advisory Board Members") appointed by the General Partner; provided, however, that all of the of the Advisory Board Members shall be Limited Partners or their designated representatives. Subject to the foregoing, the General Partner may, in its sole and absolute discretion, increase the size of the Advisory Board. Any Advisory Board Member may, at any time, resign from the Advisory Board or be removed, with or without cause, by the General Partner. All such appointments, designations, resignations, and removals shall be effective upon notice to the Fund. The General Partner shall consult with the Advisory Board, but the Advisory Board shall have no authority to manage the Fund.

Competition

The General Partner or any affiliate, including the Sponsor, of the General Partner may conduct or possess an interest in any other business or activity whatsoever, independently or with others, including, without limitation, the ownership, financing, leasing, operation, sale, management, syndication, and development of real property even if such business or activity competes with the business of the

Fund, without any accountability to the Fund or to any other Limited Partner, and no other Limited Partner shall have any rights under the Limited Partnership Agreement in and to such independent business or activity or to the income or profits derived by the General Partner therefrom.

MANAGEMENT FEES AND COMPENSATION

The Fund has no paid employees. The General Partner and its Affiliates manage the day-to-day affairs of the Fund. The following table summarizes the compensation, fees, and reimbursements the Fund will pay to the General Partner and its Affiliates, including the Managing Broker.

Type of Compensation	Compensation Amount/Payments
Management Fee	The General Partner will be entitled to receive compensation in the form of the "Asset Management Fee," which shall be an ongoing Asset Management Fee, which shall be determined separately with respect to the Units, as follows: The Asset Management Fee with respect to the Units shall be equal to an annual 1% of the weighted average of the unreturned capital contributions of the Class A Limited Partners, which may be payable in advance on a monthly basis at the discretion of the General Partner; and The Asset Management Fee shall be earned and payable as of the first day of each year and shall be collected on a monthly basis (i.e., $1/12^{th}$ of 1% of the applicable amount), with catch-up collections occurring throughout the year as more capital is accumulated into the Fund.
Distributions	After payment of any accrued and unpaid Class A Preferred Return to the Class A Limited Partners and, in the case of distributions of Net Cash Flow From Sale or Refinance (i.e., distributions of return of principal or capital invested by the Fund, liquidation proceeds, and other amounts that do not constitute Net Cash Flow From Operations), then payment of a return of capital contributed by the Class A Limited Partners, then a return of capital contributed by the Class B Limited Partners and the General Partner, and then all additional distributions will be distributed 1% to the General Partner and 99% to the Class B Limited Partners.
Guarantee Fees	The General Partner, or any of its Affiliates that guarantee any Fund related loan, shall be entitled to a guaranty fee equal to 0.25% of the estimated guarantee amount on behalf of the Fund, General Partner, officer or director, and/or any portfolio companies. The guaranty fee shall be payable annually, on the first day of the year, for each calendar year by which the guaranty remains in place.
Other Fees	The General Partner or any of its Affiliates may also be paid other fees as would be paid in the normal course of business, including, without limitation, in connection with accounting, securities brokerage, property management, leasing, acquisition,

maintenance and construction margin, development, and disposition of properties acquired by the Fund provided, however, any fees paid by the Fund to the General Partner or its Affiliates for the provision of such services shall be no greater than the Fund would reasonably pay to an unaffiliated third party providing such services in either (i) Maricopa County, Arizona, for services provided to the Fund as a whole, or (ii) the county and state where any Fund property is located, for services provided in connection with a specific Fund property.

Reimbursement of Expenses

The Fund shall pay or reimburse the General Partner for all expenses incurred or paid on behalf of the Fund prior to or after the formation of the Fund including, without limitation, all direct or indirect costs incurred by the General Partner in connection with the business of the Fund (including, without limitation, an allocable share of the General Partner's administrative and overhead costs, including salaries and benefits provided to employees of the General Partner or its Affiliates and rent), Fund property-related costs and expenses, and fees or commissions incurred in connection with the sale of Units (if any). Expenses to be borne by the Fund ("Partnership Expenses") shall include, without limitation, the following costs and expenses associated with the formation, operation, dissolution, winding-up, or termination of the Fund: (i) out-of-pocket expenses associated with the organization of the General Partner or the Fund or the syndication of interests therein; (ii) legal, accounting (including a 0.5% accounting allocation fee for services provided on behalf of the Fund by the Sponsor or its Affiliates), audit, tax, custodial, and other professional fees, as well as consulting fees relating to services rendered to the Fund, which shall include, without limitation, an allocable share of the General Partner's administrative and overhead costs relating to such or other services provided by the General Partner or any of its Affiliates to the Fund; (iii) banking, brokerage, broken-deal, registration, qualification, finders, depositary, and similar fees or commissions; (iv) transfer, capital and other taxes, duties, and costs incurred in acquiring, holding, selling, or otherwise disposing of Fund assets; (v) insurance premiums, indemnifications, costs of litigation, and other extraordinary expenses; (vi) costs of financial statements and other reports to Limited Partners, as well as costs of all governmental returns, reports, and other filings; (vii) costs of meetings of the Limited Partners and meetings of the Advisory Board; (viii) interest expenses; (ix) advertising and public notice costs; (x) costs and expenses incurred by the tax matters partner in its capacity as such; (xi) travel and other expenses incurred in investigating or evaluating investment opportunities; and (xii) any other expenses not listed in the preceding clauses (i) through (xii) that are reasonably related to the business of the Fund. To the extent any such costs are incurred and paid for by the General Partner, whether prior to or after the Fund's formation, the Fund shall

reimburse the General Partner therefor.

INDEMNIFICATION AND LIMITATION OF LIABILITY

The Fund is permitted to limit the liability of its general partners and officers, and to indemnify and advance expenses to its general partners, officers, and other agents, to the extent permitted by Delaware law.

Pursuant to the Limited Partnership Agreement, the General Partner, officers, and agents of the Fund shall not be liable to the Fund or to any Limited Partner for (i) any act or omission performed or failed to be performed by such person, or for any losses, claims, costs, damages, or liabilities arising from any such act or omission, except to the extent such loss, claim, cost damage, or liability results from such person's gross negligence, willful misconduct, or fraud; (ii) any tax liability imposed on the Fund; or (iii) any losses due to the misconduct, negligence, dishonesty, or bad faith of any agents of the Fund.

The Fund, its receiver, or its trustee (in the case of its receiver or trustee, to the extent of the portfolio properties of the Fund) shall indemnify, save harmless, and pay all judgments and claims against the General Partner, officers, and agents relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such person solely in connection with the business of the Fund, including attorneys' fees incurred in connection with the defense of any action based on any such act or omission, which attorneys' fees may be paid as incurred.

In the event of any action by a Limited Partner against the General Partner, officers, and/or agents relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such persons solely in connection with the business of the Fund, including a derivative suit, the Fund shall indemnify, save harmless, and pay all expenses of such Limited Partner, including attorneys' fees incurred in the defense of such action, if such Limited Partner is successful in such action.

The General Partner has authority to cause the Fund to acquire and maintain the equivalent of directors' and officers' insurance coverage insuring the actions of the General Partner, officers, and agents in such amounts as it may determine appropriate and customary for a business of the type conducted by the Fund.

Notwithstanding the above, the General Partner, officers, and agents shall not be indemnified from any liability for fraud, bad faith, gross negligence, or willful misconduct in its duties and responsibilities to the Fund.

As a result, the Fund and its Limited Partners may be entitled to a more limited right of action than they and the Fund would otherwise have it these indemnification rights were not included in the Limited Partnership Agreement.

The general effect to Limited Partners of any arrangement under which the Fund agrees to insure or indemnify any persons against liability is a potential reduction in distributions resulting from the Fund's payment of premiums associated with insurance or indemnification payments in excess of amounts covered by insurance. In addition, indemnification could reduce the legal remedies available to the Limited Partners and the Fund against the Fund's General Partner, officers, and agents. However, indemnification does not reduce the exposure of the General Partner and officers to liability under federal or state securities laws, nor does it limit the Limited Partners' ability to obtain injunctive relief or other equitable remedies for a violation of a partner's or an officer's duties to the Fund, although the equitable remedies may not be an effective remedy in some circumstances.

The SEC and some state securities commissions take the position that indemnification against liabilities arising under the Securities Act is against public policy and unenforceable.

DESCRIPTION OF UNITS

The Fund is offering one class of limited partnership units on a continuous basis and for an indefinite period of time. The rights, preferences and obligations of the Units are set forth in the Limited Partnership Agreement of the Fund, a copy of which is attached to this Memorandum in Appendix B.

Capital Contributions

If the Fund requires additional funds at any time in excess of capital contributions made by the Class A Limited Partners, the Fund or its Affiliates may borrow funds from a financial institution or other lender (but only in an amount not to exceed 50% of the aggregate Capital Contributions by the Class A Limited Partners). In addition, the General Partner is authorized to cause the Fund to issue Units and such other limited partnership interests in the Fund, and to create such additional classes or groups of limited partners, and to amend the Limited Partnership Agreement in connection therewith, as the General Partner may determine in its sole and absolute discretion. Additional limited partnership units or interests in the Fund and additional classes or groups of limited partners may have such relative rights, power and duties as the General Partner may determine to be in the best interests of the Fund in its sole and absolute discretion, including, without limitation, rights, powers and duties senior to the Units, the Limited Partners and any other existing classes or groups of partners, providing for priority returns on capital contributed, providing for ownership which is not proportionate to the Units, and/or providing for such other rights, powers and duties as the General Partner may determine in its sole and absolute discretion.

With respect to the issuance of any additional Class A Limited Partnership Units, the initial percentage ownership interest of each additional Class A Limited Partnership Unit issued by the Fund shall be determined by dividing the amount of the unreturned capital contribution made in connection with the Class A Limited Partnership Units by the unreturned capital contribution of all Class A Limited Partnership Units outstanding immediately after the issuance of the Units. As a result, the issuance of additional Units will have the effect of proportionately decreasing each Class A Limited Partner's rights and interests in and to the Fund, including, without limitation, each current Class A Limited Partner's share of distributions.

Transferability of Units

There is no current market for the Units. The Fund and the General Partner do not expect that a public market will ever develop and the Fund's Certificate of Formation does not require a liquidity event at a fixed time in the future. Therefore, redemption of Units by the Fund, which must be agreed to by the General Partner in its sole and absolute discretion, will likely be the only way for an investor to dispose of its Units. While the redemption program of the Fund was designed to allow investors to request redemptions of an investor's Units, the Funds ability to fulfill redemption requests is subject to a number of limitations. Most significantly, as of the date of this Memorandum, the vast majority of the Fund's assets consist, and will most likely consist in the future, of illiquid assets, which cannot generally be readily liquidated without impacting the Fund's ability to realize full value upon disposition of such assets. Any redemption requests by an investor will require the approval of the General Partner, which may be withheld in its sole and absolute discretion. As a result, an investor's ability to have its Units redeemed by the Fund may be limited, and the Units should be considered a potentially long-term investment with limited liquidity.

Further, no Class A Limited Partner may voluntarily withdraw from the Fund and no Unit in the Fund may be transferred without the consent of the General Partner. "Transfer" includes any transfer,

sale, assignment, pledge, hypothecate, or otherwise dispose of any Unit in the Fund, including any transfer by death, disability or involuntarily by operation of law.

Notwithstanding the above, subject to certain standard limitations set forth in Section 9.3 of the Limited Partnership Agreement, a Class A Limited Partner may at any time transfer all or any portion of its Units in the Fund to (i) the other Class A Limited Partners; (ii) any affiliate of the transferor but only so long as the only party with authority to bind such affiliate is the Class A Limited Partner making such transfer; (iii) to a trust for estate planning purposes, but only so long as the only party with authority to bind such trust is the Class A Limited Partner making such transfer; or (iv) its personal representative or heirs or beneficiaries upon the disability or death of a Class A Limited Partner.

Limited Voting Rights

The Fund will be managed by its General Partner. There will only be one General Partner of the Fund. As the sole general partner, the General Partner has the exclusive power under the Limited Partnership Agreement to manage and conduct the Fund's business, subject to certain limited approval and voting rights of the Class A Limited Partners.

Without the consent of the Class A Limited Partners holding at least 50% of the Units, voting as a single class, the General Partner shall not have authority to:

- Amend the Limited Partnership Agreement, other than with respect to those items specifically set forth above;
- Change the purpose of the Fund to engage in activities inconsistent with or in addition to the stated purpose of the Fund;
- Adopt a plan of merger or consolidation of the Fund with or into one or more other business entities defined in the Act at Section 17-211, as amended;
- Do any act in contravention of the Limited Partnership Agreement;
- Do any act which would make it impossible to carry on the ordinary business of the Fund, except as otherwise provided in the Limited Partnership Agreement; or
- Possess Fund property, or assign rights in specific Fund property, for other than a Fund purpose.

Information Rights

Any Class A Limited Partner or its respective designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of books and records of the Fund; provided, however, that confidential communications between the Fund and its legal counsel may be withheld from a Class A Limited Partner in the General Partner's reasonable discretion.

Side Letters

The Fund, and the General Partner on its own behalf or on behalf of the Fund, may, without the approval of any other Partner, enter into a side letter or similar agreement (each, a "Side Letter") to or with a Class A Limited Partner which has the effect of establishing rights under, or altering or supplementing the terms of, the Limited Partnership Agreement or of any subscription agreements between such Class A Limited Partner and the Fund. The terms contained in a Side Letter shall govern with respect to such Class A Limited Partner notwithstanding the provisions of the Limited Partnership Agreement or of any subscription agreement or this Agreement. Except as required by law, the General

Partner and the Fund shall not be required to deliver the Side Letter or disclose the existence of any Side Letter or the terms and agreements contained therein to any Partner. A Side Letter may not modify, terminate, amend, or change the rights of the General Partner without the express written consent of the General Partner.

Distributions

During the operation of the Fund:

(i) "Net Cash From Operations" (i.e., (i) the excess, if any, of all funds received by the Partnership in connection with the operation of the Fund assets, excluding Capital Contributions, and including, but not limited to, payments and fees and charges associated with or related to the ownership, operation and management of any Fund assets, any interest payments with respect to any debt assets of the Fund, any distributions, dividends or other similar payments relating to equity positions held by the Fund, or any other source, but excluding all Net Cash Flow From Sale or Refinance (see below) received by the Fund; less (ii) the sum of (A) all cash expenditures of the Fund (including capital expenditures and payments with respect to indebtedness and other short and long term obligations), (B) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for contingencies and the establishment of reasonable, prudent reserves; and (C) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for investment in additional assets); and

(ii) "Net Cash Flow From Sale or Refinance" (i.e. the excess, if any, of: (i) the sum, at any time, of (A) the repayment by any borrower of amount loaned by the Fund, (B) any return of amounts invested in the Fund in any asset or debt held by the Fund, or any other assets, including as a result of any sale or transfer of such assets, (C) any Capital Contributions to the extent not invested by the Fund, and (D) all proceeds received by the Fund in connection with the liquidation of the Fund and any other amounts determined by the General Partner, in its sole discretion, that should not be included in the calculation of Net Cash Flow From Operations; less (ii) the sum of (A) all cash expenditures of the Fund (including capital expenditures and payments with respect to indebtedness and other short and long term obligations), (B) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for contingencies and the establishment of reasonable, prudent reserves; and (C) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for investment in additional assets),

will be distributed from time to time in the amounts and at the times determined in the sole and absolute discretion of the General Partner. The "Net Cash From Operations" and the "Net Cash Flow From Sale and Refinance" shall be distributed to the Class A Limited Partners, Class B Limited Partners, and the General Partner in accordance with the provisions set forth in the Limited Partnership Agreement, which are summarized below:

Net Cash Flow From Operations:

(a) First, 100% to the Class A Limited Partners pro rata based on the Class A Preferred Return payable to the Class A Limited Partners, until each Class A Limited Partner has received the Class A Preferred Return payable to such Class A Limited Partner; and

(b) Thereafter, to the General Partner and the Class B Limited Partners, pro rata based on the unreturned Capital Contributions of such Partners until each such

Partner has received an amount equal to the Partner's unreturned Capital Contributions, and thereafter 1% to the General Partner, and 99% to the Class B Limited Partners pro rata based on the Class B Percentage Interest.

Net Cash Flow From Sale and Refinance:

(a) First, 100% to the Class A Limited Partners pro rata based on the Class A Preferred Return payable to the Class A Limited Partners, until each Class A Limited Partner has received the Class A Preferred Return payable to such Class A Limited Partner;

(b) Second, 100% to the Class A Limited Partners pro rata based on the unreturned Capital Contributions of the Class A Limited Partners, until each Class A Limited Partner has received an amount equal to the Partner's unreturned Capital Contributions; and

(c) Thereafter, to the General Partner and the Class B Limited Partners, pro rata based on the unreturned Capital Contributions of such Partners until each such Partner has received an amount equal to the Partner's unreturned Capital Contributions, and thereafter 1% to the General Partner, and 99% to the Class B Limited Partners pro rata based on the Class B Percentage Interest.

The Class A Preferred Return will be calculated beginning on the business day immediately following the day funds are received.

Redemption Rights

Redemptions Generally

There is no current market for the Units. The Fund and the General Partner do not expect that a public market will ever develop and the Fund's Certificate of Formation does not require a liquidity event at a fixed time in the future. Therefore, redemption of Units by the Fund, which must be agreed to by the General Partner in its sole and absolute discretion, will likely be the only way for an investor to dispose of its Units. While the redemption program of the Fund was designed to allow investors to request redemptions of an investor's Units, the Funds ability to fulfill redemption requests is subject to a number of limitations. Most significantly, as of the date of this Memorandum, the vast majority of the Fund's assets consist, and will most likely consist in the future, of commercial real estate assets, which cannot generally be readily liquidated without impacting the Fund's ability to realize full value upon disposition of such assets. Any redemption requests by an investor will require the approval of the General Partner, which may be withheld in its sole and absolute discretion. As a result, an investor's ability to have its Units redeemed by the Fund may be limited, and the Units should be considered a potentially long-term investment with limited liquidity.

Class A Limited Partner Unit Redemptions

The General Partner will strive to redeem a Class A Limited Partner upon request within seven business days of receipt of such redemption request. Notwithstanding the above, the General Partner shall have the right to unilaterally redeem all or any portion of Units at any time by payment of any accrued but unpaid Class A Preferred Return applicable to the holder of the Units being redeemed together with the unreturned capital contribution of such Units. No holder of Units shall have any right to require redemption of all or a portion of its Class A Limited Partner Units. In the regard, the Units have a capped value and are not entitled to any value appreciation above the Class A Preferred Return. If the General Partner elects to redeem any Class A Limited Partner's Units, whether unilaterally or pursuant to a redemption request by such Class A Limited Partner, such redemption shall be conducted at such time, in such manner and by such methodology as the General Partner may determine in is sole and absolute discretion. As a result, a Class A Limited Partner's ability to have its Units redeemed by the Fund may be limited, and the Units should be considered a potentially long-term investment with limited liquidity. The General Partner may elect to redeem Units incrementally over time or by making a single redemption payment to the applicable Class A Limited Partner.

Source of Redemption Funds

The General Partner may utilize any source of proceeds to effectuate a redemption of the Units, including, but not limited to, the use of contributions from the sale of Units. Fund proceeds, whether derived from operations and investments or capital contributions, used for redemptions will not be available for distribution to non-redeemed Class A Limited Partners or for re-investment.

CONFLICTS OF INTEREST

The Fund is subject to various conflicts of interest arising out of its relationship with its General Partner, and the General Partner's Affiliates, including conflicts related to the arrangements pursuant to which the Fund will compensate the General Partner and its Affiliates. See the Management Compensation section of this Memorandum. Some of the potential conflicts of interest in the Funds transactions with the General Partner and its Affiliates are described below. For a description of some of the risks related to these conflicts of interest, see the "Risk Factors — Risks Related to the Fund's Relationship with the General Partner and its Affiliates and Certain Conflicts of Interest."

There are no independent oversight mechanisms of the Fund to monitor the conflicts of interest between the Fund and the General Partner.

Affiliates

The General Partner is a member-managed limited liability company and its member is Caliber Services, LLC, an Arizona limited liability company ("Caliber GP Owner"). Caliber Services, LLC provides a variety of administrative, management, accounting, finance, fund management, and related services to its Affiliates. Caliber Services, LLC is a member-managed limited liability company and its sole member is Caliber Companies, LLC, an Arizona limited liability company ("Caliber Companies"). Caliber Companies operates each of its Affiliates which include businesses activities of real estate investment, construction, development, property management, brokerage, securities brokerage, and administrative services. Caliber Companies is a manager-managed limited liability company. John C. Loeffler II is the manager of Caliber Companies. The sole member of Caliber Companies is CaliberCos, Inc., a Delaware corporation ("CaliberCos"). CaliberCos operates each of its Affiliates which include business activities of real estate investment, construction, development, property management, brokerage, securities brokerage, and administrative services. CaliberCos's two (2) directors are John C. Loeffler II and Jennifer Schrader.

Certain employees of affiliates of the General Partner are registered representatives of the Managing Broker and, as such, may receive fees and commissions based on their sale of Units in this Offering.

Compensation

All of the terms of General Partner's rights and preferences, including compensation, were determined by the General Partner and are not the result of arms'-length negotiations.

Certain Affiliates of the General Partner will receive compensation from the Fund for services performed on behalf of the Fund or the General Partner, including, without limitation, Affiliates of the Fund (including Caliber Realty Group, LLC, Caliber Development, LLC, Caliber Services, LLC, Caliber Hospitality, LLC and fed funds target rate, LLC) performing brokerage services (with corresponding brokerage fees), property management (with corresponding property management fees), construction services (with corresponding construction charges and fees), hospitality services, loan guarantee fees, accounting services, and marketing and offering of the Interests (with corresponding commissions and other sales & administrative fees).

Sponsor's Incentives

After payment of any accrued and unpaid Class A Preferred Return to the Class A Limited Partners and, in the case of distributions of Net Cash Flow From Sale or Refinance (i.e., distributions of return of principal or capital invested by the Fund, liquidation proceeds, and other amounts that do not constitute Net Cash Flow From Operations), return of capital contributed by the Class A Limited Partners, the Class B Limited Partners, and the General Partner, then all additional distributions will be distributed 1% to the General Partner and 99% to the Class B Limited Partners, pro rata based on the Class B Limited Partners respective interests in the Class B Limited Partnership Units.

This Class B Limited Partnership Units and General Partner Units could create an incentive for the General Partner and its Affiliates to cause the Fund to make investments in assets that are higher yielding, and therefore riskier or more speculative than would be the case if this exclusive equity interest did not exist because the Class B Limited Partners and General Partner has invested low amounts of capital into the Fund, and the greater the profits of the Fund (which is a function of the level of risk taken by the Fund), the higher the value of the Class B Limited Partnership Units and General Partner Units. The exclusive equity interest of the General Partner and Class B Limited Partners was determined upon initial formation of the Fund without negotiations with any third-party.

Other Investment and Business Opportunities

The Fund relies on the General Partner and its Affiliates and advisors to identify and select potential real estate investment opportunities on the Fund's behalf. At the same time, the General Partner's Affiliates and advisor manage other real estate programs sponsored by the Fund's sponsor that may have investment objectives and investment strategies that are similar to the Fund's objectives and strategies. As a result, such Affiliates and advisors could face conflicts of interest in allocating real estate acquisition opportunities as they become available. By way of example, if one of these other real estate programs attracts a tenant that the Fund is competing for, the Fund could suffer a loss of revenue due to delays in locating another suitable tenant. Each investor will not have the opportunity to evaluate the manner in which these conflicts of interest are resolved before or after making the investment in Interests.

The General Partner is indirectly managed by John C. Loeffler II, Jennifer Schrader and other key personnel. Mr. Loeffler & Mrs. Schrader have other business interests as well. As a result, key personnel may have duties to other entities and their stockholders, members and limited partners, in addition to business interests in other entities. These duties to such other entities and persons may create conflicts with the duties that they owe indirectly to the Fund. There is a risk that their loyalties to these other entities could result in actions or inactions that are adverse to the Fund's business and violate their fiduciary duties to the Fund, which could harm the implementation of the Fund's investment strategy and its investment and leasing opportunities.

Conflicts with the Fund's business and interests are most likely to arise 'from involvement in activities related to (1) allocation of new investments and management time and services between the Fund and the other entities, (2) the Fund's purchase of properties from, or sale of properties to, affiliated entities, (3) the timing and terms of the investment in or sale of an asset, (4) development of the Fund's properties by Affiliates, (5) investments with Affiliates of the General Partner, and (6) compensation to the General Partner and its Affiliates. If the Fund does not successfully implement its investment strategy, the Fund may be unable to maintain or increase the value of its assets and its operating cash flows and ability to pay distributions could be adversely affected.

No Separate Representation

The Fund, General Partner, and its principles and Affiliates have not been represented by separate counsel in connection with the formation of the Fund, General Partner, or the other related entities, the drafting of this Memorandum and the Limited Partnership Agreement, any other of the various agreements and other documents or entities relevant to this Offering or the Offering of the Interests themselves. Accordingly, the Fund has not had the benefit of independent counsel advising it on its arrangements with the General Partner. The attorneys, accountants and other experts who perform services for the Fund and the General Partner may perform similar services for the Sponsor and its Affiliates and it is contemplated that those multiple representations will continue in the future. However, should the Company or the General Partner become involved in disputes, the General Partner will cause the disputing parties to retain separate counsel for those matters unless the respective parties consent.

Affiliate Loans

The General Partner or its Affiliates may lend money to the Fund from time to time. There is no guarantee or assurance that the Fund could not find financing upon more favorable terms with a third party. The terms of the affiliate loans will be developed exclusively by the General Partner and its Affiliates, which may conflict with the interests of the Fund. In the event that the Funds defaults on such affiliate loans, the General Partner and/or its Affiliates may have certain recourse against the Fund, including, without limitation, accrual of default based interest, assessment of late fees, and even foreclosure. The General Partner and/or its Affiliates anticipate it will have access to a line-of-credit or other credit facility, the purpose of which is to use amounts under that line-of-credit to make loans to the Fund. The General Partner will lend such amounts based on an interest that is higher than the interest the General Partner or its Affiliates will pay under the applicable line-of-credit or other credit facility.

Tax Matters Partner

Pursuant to the Limited Partnership Agreement, the General Partner will be the "Tax Matters Partner" and, as a result, may make various determinations that are binding on all of the Limited Partners and the General Partner. It is possible that issues could arise in which the General Partner or its Affiliates, or the partners of such partnerships, might benefit from the General Partner taking positions as the Tax Matters Partner that are not in best interest of one of more of the Limited Partners. See "Material U.S. Federal Income Tax Considerations of Acquiring and Holding Limited Partner Interests."

Amendment to Limited Partnership Agreement

An amendment to the Limited Partnership Agreement requires the affirmative vote the Class A Limited Partners holding at least a majority of the outstanding Class A Limited Partner Units, voting as a single class; provided, however, the General Partner may amend Exhibit A to the Limited Partnership Agreement as necessary to update ownership percentages, Limited Partners, etc.; or amend the Limited Partnership Agreement (i) to comply with the provisions of the Bipartisan Budget Act of 2015 and any U.S. Treasury Regulations or other administrative pronouncements promulgated thereunder, and to administer the effects of such provisions in an equitable manner; (ii) in connection with the issuance of additional Units or other classes of interests, as determined in the General Partner's sole and absolute discretion, including, without limitation, interests having rights, powers and duties senior to the Units; (iii) to incorporate amendments and/or modifications that are required by any lender providing financing to the Fund, but only to the extent such requested changes and the corresponding amendment(s) do not materially and adversely affect the economic interests of the Class A Limited Partners; or (iv) to effect a ministerial change which does not materially and adversely affect the rights of Class A Limited Partners. If the General Partner amends the Limited Partnership Agreement per the terms of the Limited Partnership Agreement without the necessity of the affirmative vote of the Class A Limited Partners, the General Partner may require any and all Class A Limited Partners to execute an amended and restated Limited Partnership Agreement for the Fund, which will replace and supersede the Limited Partnership Agreement. Prior to requiring execution by the Class A Limited Partners, the General Partner shall provide each Class A Limited Partner with a written statement verifying and representing that the agreement is being amended per the terms of the Limited Partnership Agreement and does not require the affirmative vote of the affirmative vote of the Class A Limited Partners. To the extent such requirement has been satisfied and any Class A Limited Partner fails to timely execute such an amended and restated Limited Partnership Agreement for the Fund, the General Partner shall have the power to execute such amended agreement on behalf of such Class A Limited Partner, in such party's name and as its attorney-in-fact. Any other proposed amendment to the Limited Partnership Agreement shall be adopted and effective as an amendment if it receives the affirmative vote of the affirmative vote the Class A Limited Partners and the written consent of the General Partner.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS OF ACQUIRING AND HOLDING LIMITED PARTNER INTERESTS

The following is a summary of certain U.S. federal income tax consequences of an investor who is an individual citizen of the U.S. or resident alien (as defined in Treasury regulation section 301.7701(b)-1) for investing in the Class A Limited Partner Units in the Fund. This summary does not purport to address all material tax consequences of the ownership of the Class A Limited Partner Units and, except as otherwise specifically provided below, the discussion below assumes that a Class A Limited Partner is an individual citizen of the United States or resident alien (as defined in Treasury regulation section 301.7701(b)-1) and generally does not take into account the specific circumstances of any particular Class A Limited Partner, such as dealers in securities or currencies, traders in securities, persons holding Class A Limited Partner Units as a hedge against currency risks or as a position in a straddle, banks, tax-exempt organizations, life insurance companies, trusts, corporations, partnerships, or non-resident alien individuals, Class A Limited Partners (as defined below) that hold their Class A Limited Partner Units through non-U.S. brokers or other non-U.S. intermediaries, and Class A Limited Partners whose functional currency is not the United States dollar. The following summary of the tax aspects is based on the Code, on existing Treasury regulations, and on administrative rulings and judicial decisions interpreting the Code as in effect at the time this Memorandum was drafted. Significant uncertainty exists regarding certain tax aspects of partnerships, including whether the Class A Limited Partner Units constitute debt or equity. Such uncertainty is due, in part, to continuing changes in U.S. federal tax laws that have not fully been interpreted through regulations or judicial decisions. Tax legislation may be enacted in the future that will affect the Fund and a Class A Limited Partner's investment in the Fund. Because the tax aspects of this offering are complex and certain of the tax consequences may differ depending on individual tax circumstances, each Class A Limited Partner is urged to consult with and rely on its own tax advisor about this offering's tax aspects and its individual situation.

WARNING RELATED TO CLASS A LIMITED PARTNER UNITS

Significant uncertainty exists regarding certain tax aspects of partnerships, including whether the Class A Limited Partner Units constitute debt or equity. Solely for federal and state income tax purposes, the Fund intends to treat the Class A Limited Partner Units as debt, and no Class A Limited Partner shall be treated as a "partner" for such purposes. As such, any Class A Preferred Return paid to the Class A Partners shall be treated as interest for federal and state income tax purposes, and shall be consistently reported as such by the Partnership and each Class A Limited Partner.

The Fund has not obtained and does not intend to obtain an opinion of counsel with respect to this summary of tax matters or the treatment of the Class A Limited Partner Units as debt for federal and state income tax purposes. In addition, no rulings have been or will be requested from the IRS with respect to the matters discussed herein. Therefore, there can be no assurances that the IRS or any other governmental agency or taxing jurisdiction will agree with the treatment of the Class A Limited Partner Units as debt or the statements set forth below.

INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THEIR SITUATIONS AND THE IMPACT WHICH THEIR PARTICIPATION IN THE FUND MAY HAVE ON THEIR FEDERAL INCOME TAX LIABILITY AS WELL AS HOW STATE, LOCAL AND FOREIGN INCOME, AND OTHER TAX LAWS MAY APPLY TO THEIR PARTICIPATION AND THE IMPLICATIONS THOSE LAWS MAY HAVE. IN EVALUATING

AN INVESTMENT IN THE FUND, A CLASS A LIMITED PARTNER SHOULD TAKE INTO ACCOUNT THE COST OF OBTAINING SUCH ADVICE.

Class A Preferred Return

As discussed above, any Class A Preferred Return paid to the Class A Partners shall be treated by the Fund as interest for federal and state income tax purposes. A Class A Limited Partner generally will include in gross income payments of the Class A Preferred Return received or accrued on a Class A Limited Partner Unit in accordance with the Class A Limited Partner's regular method of accounting for U.S. federal income tax purposes as ordinary interest income.

Because the General Partner has no obligation to pay the Class A Preferred Return payments on a monthly basis, the Fund is not required to pay the Class A Preferred Return annually. For U.S. federal income tax purposes, if interest is not payable at least annually, it may be treated as original issue discount, which is also referred to as OID. Holders of debt securities with OID generally will be subject to the special tax accounting rules for obligations issued with original issue discount provided by the Code and certain regulations promulgated thereunder, which are referred to as the OID Regulations. Holders of such original issue discount debt securities should be aware that they generally must include OID in ordinary gross income for U.S. federal income tax purposes as it accrues, in advance of the receipt of cash attributable to that income. The OID Regulations are complicated and will not be discussed in detailed herein. The Class A Limited Partners are encouraged to discuss the OID Regulations and the impact of such regulations on their ownership of the Class A Limited Partner Unit with their tax advisors.

Sale or Exchange of Class A Limited Partner Units

A Class A Limited Partner generally will recognize gain or loss upon the sale or exchange (including a redemption) of a Class A Limited Partner Unit equal to the difference, if any, between the amount realized upon such sale or exchange excluding any amounts attributable to accrued but unpaid stated interest, which will be taxed as ordinary interest income to the extent not previously so taxed and the Class A Limited Partner's adjusted tax basis in the Class A Limited Partner Unit. Class A Limited Partner's adjusted tax basis of a Class A Limited Partner Unit is generally equal to the cost it paid for such Class A Limited Partner Unit, increased by any OID accrued with respect to such Class A Limited Partner Unit. Generally, any gain realized upon a sale or exchange of a Class A Limited Partner Unit, not including accrued but unpaid stated interest, by a Class A Limited Partner will be capital gain or loss. Any capital gain or loss will be long-term capital gain or loss if the Class A Limited Partner's holding period for the Class A Limited Partner Units is more than one year at the time of the sale or exchange. For non-corporate Class A Limited Partners, long-term capital gains may be subject to reduced rates of taxation when compared to the rates of taxation applicable to ordinary income. The deductibility of capital losses is subject to certain limitations.

Tax on Net Investment Income

Under current law, the Class A Limited Partners will generally be subject to a 3.8 percent (3.8%) Medicare tax, in addition to regular tax on income and gains, on some or all of their "net investment income" to the extent they meet certain requirements. Class A Limited Partners should consult their tax advisors regarding the applicability of this tax in respect of their ownership of Class A Limited Partner Units in the Fund. For these purposes, "net investment income" includes, among other things, interest income and any gain from the sale or other disposition in respect of securities like the Class A Limited Partner Units.

Backup Withholding and Information Reporting

For each calendar year, where required by applicable law the Fund will report, to the IRS and holders of Class A Limited Partner Units, the amount of any interest and original issue discount required to be reported for such period, and any proceeds from the disposition (including retirement or redemption) of such Class A Limited Partner Units, in each instance together with any amounts of tax withheld, if any, from any such payment. A holder of Class A Limited Partner Units may be subject to backup withholding with respect to payments made on the Class A Limited Partner Units as well as proceeds from the disposition of Class A Limited Partner Units unless the holder:

- is a corporation or comes within other exempt categories and, when required, demonstrates this fact; or
- provides a taxpayer identification number, certifies that it is not subject to backup withholding, and other wise complies with applicable requirements of the backup withholding rules.

Each Class A Limited Partner may provide such Partner's correct taxpayer identification number and certify that such Class A Limited Partner is not subject to backup withholding by completing and submitting IRS Form W-9 or its substitute form. A Class A Limited Partner who does not provide the Fund with the correct taxpayer identification number may be subject to penalties imposed by the IRS. Amounts withheld and remitted to the IRS pursuant to the backup withholding rules do not constitute an additional tax and will be credited against the Class A Limited Partner's United States federal income tax liabilities, so long as the required information is timely provided to the IRS. If backup withholding results in an overpayment of tax for a particular Class A Limited Partner, then such Class A Limited Partner may be entitled to a refund so long as the required information is timely provided to the IRS.

Investment by Foreign Person

The rules governing the U.S. federal income taxation of foreign persons (i.e., persons who are not "United States persons" within the meaning of Section 7701(a)(30) of the Code) are complex, and no attempt has been made herein to provide a detailed discussion of those rules. Depending on whether certain requirements and information reporting obligations are met, payments of Preferred Return to the Class A Limited Partners may be subject to withholding. Any withholding tax paid by the Fund to a taxing jurisdiction in respect of a Class A Limited Partner Unit will be treated as a distribution and will reduce any other distribution to which the Class A Limited Partner is entitled under the Limited Partnership Agreement. Class A Limited Partners that are foreign persons should consult with their own tax advisors to fully determine the impact on them of U.S. federal, state and local income tax laws.

Investment by Tax-Exempt Investors

If a Tax-Exempt Investor (as defined below) is a partner in a partnership (a "Tax-Exempt Partner") that is engaged in a trade or business not substantially related to the Tax-Exempt Partner's exempt function (or if that partnership invests in a pass-through entity engaged in such trade or business), the Tax-Exempt Partner will be subject to unrelated business income tax ("UBIT") (at graduated rates applicable to taxable investors) on its distributive share of partnership income, other than dividends, interest, royalties, certain rents, capital gains and certain other items not classified as unrelated business taxable income ("UBTI"). In addition, if a Tax-Exempt Investor is a partner in a partnership that owns property acquired with borrowed funds (or if that partnership invests in a pass-through entity that owns property acquired with borrowed funds), or if the Tax-Exempt Partner borrows to fund its investment in the partnership, the Tax-Exempt Partner's share of partnership income, including dividends, interest, royalties, rents and capital gains, and any gain realized on the Tax-Exempt Partner's investment in the partnership, may constitute unrelated debt-financed income, all or a portion of which may be subject to UBIT. The characterization of the Fund's income as UBTI may have a

significant effect on an investment by a tax exempt entity in the Fund and may make investment in the Fund inappropriate for certain tax exempt entities.

The Fund anticipates that its investments will generate UBTI, including from leverage. If the Fund recognizes UBTI, Tax-Exempt Partners may be required to file tax returns and may incur tax liability on that UBTI. Moreover, a charitable remainder trust, as defined in Section 664 of the Code, that realizes UBTI during a taxable year must pay an excise tax annually of an amount equal to 100% of such UBTI.

For purposes of this discussion a "Tax-Exempt Investor" is a United States investor that is a pension, profit-sharing, or stock bonus plan described in Section 401(a) of the Code, an individual retirement account exempt from United States federal income tax under Section 408(e) of the Code, or an investor which is otherwise exempt from United States federal income tax under Section 501(a) of the Code.

If the Fund (or, in certain cases, any underlying portfolio partnership in which the Fund directly or indirectly invests) engages in certain tax shelter transactions certain Tax-Exempt Partners could be subject to an excise tax equal to the highest corporate tax rate times the greater of (i) such Partners' net income from the transactions or (ii) 75% of the proceeds attributable to such Partners from the transactions. The excise tax is not imposed on Tax-Exempt Partners that are pension plans, although certain penalties applicable to "entity managers" (as defined in Section 4965(d) of the Code) might still apply. A higher excise tax could be applicable if the Tax-Exempt Partners knew or had reason to know that a transaction was a prohibited tax shelter transaction. In addition, such Tax-Exempt Partners could be subject to certain disclosure requirements and penalties could apply if such Tax-Exempt Partners do not comply with such disclosure requirements. There can be no assurance that the Fund (or any underlying portfolio partnership in which the Fund directly or indirectly invests) will not engage in prohibited tax shelter transactions.

Each prospective Tax-Exempt Partner is urged to consult its own tax advisors concerning the possible effects of UBTI based on its own tax situation as well as the general implication of an investment in the Fund.

"FBAR" Reporting

Partners may be required to annually file FinCen Form 114, Report of Foreign Bank and Financial Accounts ("FBAR") with the IRS to report a Partner's "financial interest" in (or signature authority over) the Fund's "foreign financial accounts" (if any). Partners should consult applicable guidance, including the FBAR Treasury Regulations, the instructions to the FinCen Form 114 and IRS Notices and other guidance, regarding any FBAR filing obligation that may arise from an investment in the Fund.

Class A Limited Partners could be subject to substantial civil and criminal penalties for failure to comply with these reporting requirements. Class A Limited Partners should consult their tax advisors to determine the applicability of these FBAR and other reporting requirements in light of their individual circumstances.

FATCA

Under Sections 1471 through 1474 of the Code (and any applicable Treasury regulation promulgated thereunder or published administrative guidance implementing such Sections whether in existence on the date hereof or promulgated or published hereafter) ("FATCA") certain foreign entities

and foreign financial institutions *(e.g.*, foreign entities acting as intermediaries for investors, most hedge funds, private equity funds, mutual funds, securitization vehicles and any other investment vehicles regardless of size) (collectively "Foreign Payees") must comply with information reporting rules with respect to their U.S. account holders and investors. These information reporting rules require foreign payees to provide extensive information to the IRS regarding all U.S. persons who have accounts in (or in some instances, who own debt or equity interest in) such foreign payees and in certain cases enter into an agreement with the IRS. Failure of such foreign payees to comply with these information reporting rules will result in a U.S. federal withholding tax on U.S. source payments made to such foreign payees.

A foreign payee that does not comply with the FATCA reporting requirements generally will be subject to a 30% U.S. federal withholding tax with respect to "withholdable payments" made after certain applicable dates. For these purposes, "withholdable payments" includes, by way of example only, current and future payments of interest, and payments of gross proceeds arising from the sale (including a retirement or redemption) of securities, such as the Class A Limited Partner Units. This withholding tax generally applies to withholdable payments to non-compliant foreign payees even if such payments would not have been subject to the withholding tax rules otherwise applicable to certain payments to Non-Class A Limited Partners.

Holders of Class A Limited Partner Units are urged to consult with their own tax advisors regarding the effect, if any, of the FATCA provisions to them based on their particular circumstances.

ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), is a broad statutory framework that governs most U.S. retirement and other U.S. employee benefit plans. ERISA and the rules and regulations of the Department of Labor (the "DOL") under ERISA contain provisions that should be considered by fiduciaries of employee benefit plans subject to the provisions or Title I of ERISA ("ERISA Plans") and their legal advisors. In particular, a fiduciary of an ERISA Plan should consider whether an investment in the Units (or, in the case of a participant-directed defined contribution plan (a "Participant-Directed Plan"), making the Units available for investment under the Participant-Directed Plan) satisfies the requirements set forth in Part 4 of Title I of ERISA, including the requirements that (1) the investment satisfy the prudence and diversification standards of ERISA, (2) the investment be in the best interests of the participants and beneficiaries of the ERISA Plan, (3) the investment be permissible under the terms of the ERISA Plan's investment policies and governing instruments and (4) the investment does not give rise to a non-exempt prohibited transaction under ERISA.

In determining whether an investment in the Units (or making the Units available as an investment option under a Participant-Directed Plan) is prudent for ERISA purposes, a fiduciary of an ERISA Plan should consider all relevant facts and circumstances including, without limitation, possible limitations on the transferability of shares of the Units, whether the investment provides sufficient liquidity in light of the foreseeable needs of the ERISA Plan (or the participant account in a Participant-Directed Plan), and whether the investment is reasonably designed, as part of the ERISA Plan's portfolio, to further the ERISA Plan's purposes, taking into consideration the risk of loss and the opportunity for gain (or other return) associated with the investment. It should be noted that the Fund will invest its assets in accordance with the investment objectives and guidelines described herein, and that neither General Partner nor any of its Affiliates has any responsibility for developing any overall investment strategy for any ERISA Plan (or the participant account in a Participant-Directed Plan) or for advising any ERISA Plan (or participant in a Participant-Directed Plan) as to the advisability or prudence of an investment in the Fund. Rather, it is the obligation of the appropriate fiduciary for each ERISA Plan (or participant in a Participant-Directed Plan) to consider whether an investment in the Units by the ERISA Plan (or making the Units available for investment under a Participant-Directed Plan in which event it is the obligation of the participant to consider whether an investment in shares of the Units is advisable), when judged in light of the overall portfolio of the ERISA Plan, will meet the prudence, diversification and other applicable requirements of ERISA.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as those plans that are not subject to ERISA but that are subject to Section 4975 of the Code, such as individual retirement accounts ("IRAs") and non-ERISA Keogh plans (collectively with ERISA Plans, "Plans"), and certain persons (referred to as "parties in interest" for purposes of ERISA or "disqualified persons" for purposes of the Code) having certain relationships to Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to non-deductible excise taxes and other penalties and liabilities under ERISA and the Code, and the transaction might have to be rescinded. In addition, a fiduciary that causes an ERISA Plan to engage in a non-exempt prohibited transaction may be personally liable for any resultant loss incurred by the ERISA Plan and may be subject to other potential remedies.

A Plan that proposes to invest in the Units (or to make the Units available for investment under a Participant-Directed Plan) may already maintain a relationship with the General Partner or one or more of

its Affiliates, as a result of which the General Partner or such affiliate may be a "party in interest" under ERISA or a "disqualified person" under the Code, with respect to such Plan (e.g., if the General Partner or such affiliate provides investment management, investment advisory or other services to that Plan). ERISA (and the Code) prohibits plan assets from being used for the benefit of a party in interest (or disqualified person). This prohibition is not triggered by "incidental" benefits to a party in interest (or disqualified person) that result from a transaction involving the Plan that is motivated solely by the interests of the Plan. ERISA (and the Code) also prohibits a fiduciary from using its position to cause the Plan to make an investment from which the fiduciary, its Affiliates or certain parties in which it has an interest would receive a fee or other consideration or benefit. In this circumstance, Plans that propose to invest in the Units should consult with their counsel to determine whether an investment in the Units would result in a transaction that is prohibited by ERISA or the Code.

If the Fund's assets were considered to be assets of a Plan (referred to herein as "Plan Assets"), the Fund's management might be deemed to be fiduciaries of the investing Plan. In this event, the operation of the Fund could become subject to the restrictions of the fiduciary responsibility and prohibited transaction provisions of Title I of ERISA and/or the prohibited transaction rules of the Code.

Neither ERISA nor the Code contains a definition of Plan Assets. The DOL has promulgated a final regulation under ERISA, 29 C.F.R. §2510.3-101 (as amended by Section 3(42) of ERISA, the "Plan Assets Regulation"), that provides guidelines as to whether, and under what circumstances, the underlying assets of an entity will be deemed to constitute Plan Assets for purposes of applying the fiduciary requirements of Title I of ERISA (including the prohibited transaction rules of Section 406 of ERISA) and the prohibited transaction provisions of Code Section 4975.

Under the Plan Assets Regulation, the assets of an entity in which a Plan or IRA makes an equity investment will generally be deemed to be assets of such Plan or IRA unless the entity satisfies one of the exceptions to this general rule. Generally, the exceptions require that the investment in the entity be one of the following:

(a) in securities issued by an investment company registered under the Investment Company Act;

(b) in "publicly offered securities," defined generally as interests that are "freely transferable," "widely held" and registered with the SEC;

(c) in an "operating company" which includes "venture capital operating companies" and "real estate operating companies;" or

(d) in which equity participation by "benefit plan investors" is not significant.

The Units offered hereunder will not be issued by a registered investment company. In addition, the Plan Assets Regulation provides that equity participation in an entity by benefit plan investors is "significant" if at any time 25% or more of the value of any class of equity interest is held by "benefit plan investors." The term "benefit plan investors" is defined for this purpose under ERISA Section 3(42), and in calculating the value of a class of equity interests, the value of any equity interests held by the General Partner or any of its Affiliates must be excluded. Less than 25% of the total number of Units sold will be sold to Qualified Plans, and transfer of the Units to Qualified Plans will be restricted so that less than 25% of the Units outstanding at any time will be owned by Qualified Plans.

As noted above, the Plan Assets Regulation provides an exception with respect to securities issued by an "operating company," which includes a "venture capital operating company" (a "VCOC")

and a "real estate operating company" (a "REOC"). Under the Plan Assets Regulation, an entity will qualify as a VCOC if (a) on certain specified testing dates, at least 50% of the entity's assets, valued at cost, are invested in "venture capital investments," which are investments in operating companies (other than VCOCs) with respect to which the entity has or obtains direct contractual rights to substantially participate in the management of such operating company and (b) the entity in the ordinary course of its business actually exercises such management rights. Under the Plan Assets Regulation, an entity will constitute a REOC if (i) on certain specified testing dates, at least 50% of the entity's assets, valued at cost, are invested in real estate that is managed or developed and with respect to which the entity has the right to substantially participate directly in the management or development of the real estate and (ii) the entity in the ordinary course of its business is engaged directly in real estate management or development activities. A REOC can be a venture capital investment. Because the Fund intends to invest primarily in single tenant, triple-net lease industrial and office buildings, the operating partnership may not be able to qualify as a REOC because such properties are typically not subject to sufficient ongoing management to qualify as a good REOC asset for testing purposes. In such event, the Fund would not be able to qualify as a VCOC.

However, as noted above, if a Plan acquires "publicly offered securities," (the assets of the issuer of the securities will not be deemed to be Plan Assets under the Plan Assets Regulation. The definition of publicly offered securities requires that such securities be "widely held," "freely transferable" and satisfy certain registration requirements under federal securities laws.

Under the Plan Assets Regulation, a class of securities will meet the registration requirements under federal securities laws if they are (i) part of a class of securities registered under section 12(b) or 12(g) of the Exchange Act or (ii) part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act and the class of securities of which such security is a part is registered under the Exchange Act within 120 days (or such later time as may be allowed by the SEC) after the end of the fiscal year of the issuer during which the offering of such securities to the public occurred. The Fund will not meet the registration requirements under the Plan Assets Regulation. Also under the Plan Assets Regulation, a class of securities will be "widely held" if it is held by 100 or more persons independent of the issuer. The requirement will not be met by the Fund in the near future, if ever.

Prospective investors that are subject to the provisions of Title I of ERISA and/or Code Section 4975 should consult with their counsel and advisors as to the provisions of Title I of ERISA and/or Code Section 4975 relevant to an investment in the Units.

As discussed above, although IRAs and non-ERISA Keogh plans are not subject to ERISA, they are subject to the provisions of Section 4975 of the Code prohibiting transactions with "disqualified persons" and investments and transactions involving certain fiduciary conflicts. A prohibited transaction or conflict of interest could arise if the fiduciary making the decision to invest has a personal interest in or affiliation with our company or any of its respective Affiliates. In the case of an IRA, a prohibited transaction or conflict of interest that involves the beneficiary of the IRA could result in disqualification of the IRA. A fiduciary for an IRA who has any personal interest in or affiliation with the Fund or any of its respective Affiliates, should consult with his or her tax and legal advisors regarding the impact such interest may have on an investment in the Units with assets of the IRA.

Units sold by the Fund may be purchased or owned by investors who are investing Plan assets. The Fund's acceptance of an investment by a Plan should not be considered to be a determination or representation by the Fund or any of its respective Affiliates that such an investment is appropriate for a Plan. In consultation with its advisors, each prospective Plan investor should carefully consider whether an investment in the Units is appropriate for, and permissible under, the terms of the Plan's governing documents.

Governmental plans, foreign plans and most church plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Code Section 4975, may nevertheless be subject to local, foreign, state or other federal laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel and advisors before deciding to invest in the Units.

SUPPLEMENTAL SALES MATERIALS

In addition to this Memorandum, the Fund may utilize certain sales material in connection with the offering of the Units, although only when accompanied by or preceded by the delivery of this Memorandum. The sales materials may include information relating to this Offering, the past performance of the Sponsor and its Affiliates, commercial real estate indices, the performance of this Offering, and as it compares to a benchmark, the performance of an investment in commercial real estate as compared to other asset classes and industry trends. The sales material may be in the form of property brochures and articles and publications concerning real estate. In certain jurisdictions, some or all of our sales material may not be permitted and will not be used in those jurisdictions.

The offering of Units is made only by means of this Memorandum. Although the information contained in the supplemental sales material will not conflict with any of the information contained in this Memorandum, the supplemental materials do not purport to be complete, and should not be considered a part of this Memorandum.

APPENDIX A

Limited Partnership Agreement

[attached]

AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

OF

CALIBER FIXED INCOME FUND III LP

A DELAWARE LIMITED PARTNERSHIP

February 1, 2019

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE REGULATORY AUTHORITY NOR THE REGULATORY AUTHORITY OF ANY OTHER COUNTRY HAS APPROVED OR DISAPPROVED THIS LIMITED PARTNERSHIP AGREEMENT OR THE LIMITED PARTNERSHIP UNITS ("UNITS") PROVIDED FOR HEREIN. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE UNITS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), NOR UNDER THE SECURITIES LAWS OF ANY OTHER COUNTRY, AND THE PARTNERSHIP IS UNDER NO OBLIGATION TO REGISTER THE UNITS UNDER THE SECURITIES ACT OR ANY OTHER SUCH LAWS IN THE FUTURE.

UNITS MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO A "U.S. PERSON," WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER THE SECURITIES ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE GENERAL PARTNER THAT SUCH REGISTRATION IS NOT REQUIRED. HEDGING TRANSACTIONS INVOLVING UNITS MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. ADDITIONAL RESTRICTIONS ON THE TRANSFER OF UNITS ARE CONTAINED IN SECTION 9 OF THIS AGREEMENT. BASED UPON THE FOREGOING, EACH ACQUIROR OF UNITS MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF INVESTMENT THEREIN FOR AN INDEFINITE PERIOD OF TIME.

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AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
CALIBER FIXED INCOME FUND III LP

THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF CALIBER FIXED INCOME FUND III LP (this "Agreement"), is entered into to be effective as of the 1st day of February, 2019, by and among CFIF III GP, LLC, a Delaware limited liability company, as the "General Partner," and those persons executing this Agreement as "Class A Limited Partners" and "Class B Limited Partners." A list of such persons is located at the offices of the General Partner. This Agreement shall amend, restate, and supersede that certain Agreement of Limited Partnership of Caliber Fixed Income Fund III LP between the General Partner and the Limited Partners, dated effective as of April 1, 2018, as amended by that certain Amendment to Agreement of Limited Partnership of Caliber Fixed Income Fund III LP, dated effective as of May 21, 2018, as thereafter amended.

SECTION 1
DEFINITIONS

1.1 Defined Terms. Unless otherwise stated, the terms used in this Agreement shall have the usual and customary meanings associated with their use, and shall be interpreted in the context of this Agreement. The following terms, when used in this Agreement and capitalized, shall have the meanings stated below:

1.1.1 "Act" means the Delaware Revised Uniform Limited Partnership Act, as set forth in 6 Del. C. §17-101, et seq., as amended from time to time.

1.1.2 "Advisory Board" shall have the meaning set forth in Section 5.6.1.

1.1.3 "Advisory Board Member" shall have the meaning set forth in Section 5.6.1.

1.1.4 "Affiliate" means, as to any Person, any other Person that, directly or indirectly, is in Control of, is Controlled by or is under common Control with such Person, or is a director or officer of such Person, or of an Affiliate of such Person.

1.1.5 "Agreement" has the meaning set forth in the preamble.

1.1.6 "Asset Management Fee" shall have the meaning set forth in Section 5.4.3.1.

1.1.7 "Bankruptcy" means, with respect to any Person: (i) if such Person (A) makes an assignment for the benefit of creditors, (B) files a voluntary petition in bankruptcy, (C) is adjudged as bankrupt or insolvent, or has entered against it an order for relief, in any bankruptcy or insolvency proceedings, (D) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, (E) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of this nature,

or (F) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the Person or of all or any substantial part of its properties; or (ii) if (x) 120 days after the commencement of any proceeding against the Person seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, the proceeding has not been dismissed, (A) without such Person's consent or acquiescence, within 90 days after the appointment of a trustee, receiver or liquidator of such Person or of all or any substantial part of its properties, the appointment is not vacated or stayed, or (B) within 90 days after the expiration of any such stay, the appointment is not vacated.

1.1.8 "Breach Amount" means as set forth in Section 10.3.

1.1.9 "Breach Payments" means as set forth in Section 10.3.

1.1.10 "Breaching Partner" means as set forth in Section 10.2.

1.1.11 "Business Day" means any day except Saturday, Sunday or any other day on which commercial banks located in Arizona are authorized or required by Law to be closed for business.

1.1.12 "Caliber Securities" means as set forth in Section 5.4.3.4.

1.1.13 "Capital Accounts" means the Class B LP Capital Account and the General Partner Capital Account established and maintained pursuant to the Tax Matters Schedule of this Agreement. The Capital Account of the Class B Limited Partner and the General Partner shall be subject to adjustment as provided elsewhere in this Agreement.

1.1.14 "Capital Contribution" means the General Partner Capital Contribution or the Limited Partner Capital Contribution. Unless otherwise approved by the General Partner, all Capital Contributions shall be in cash.

1.1.15 "Cash Available for Distribution" means the Partnership's Net Cash Flow From Operations and/or Net Cash Flow From Sale or Refinance.

1.1.16 "Cause" means as set forth in Section 5.3.

1.1.17 "Certificate" means the Certificate of Limited Partnership of the Partnership as filed with the Secretary of State of the State of Delaware.

1.1.18 "Class A Limited Partner" means any Person who (i) executes this Agreement as a Class A Limited Partner or who has been admitted as an additional or Substitute Class A Limited Partner pursuant to the terms of this Agreement and (ii) is the owner of a Class A Limited Partner Unit. "Class A Limited Partners" means all such Persons.

1.1.19 "Class A Limited Partner Units" means all of the Class A Limited Partner Units of a Class A Limited Partner in the Partnership at any particular time, including the right of such Class A Limited Partner to any and all benefits to which such Class A Limited Partner may be entitled as provided in this Agreement, together with the obligations of such Class A Limited Partner to comply with all of the terms and provisions of this Agreement.

1.1.20 "Class A LP Capital Contribution" means, with respect to each Class A Limited Partner, the amount of money and the fair market value (as agreed by the Partnership and the contributing Class A Limited Partner) of any property contributed to the Partnership with respect to the Class A Limited Partner Unit in the Partnership held by such Class A Limited Partner, whether directly or indirectly, provided, however, that unless otherwise approved by the General Partner, all Class A LP Capital Contributions shall be in cash.

1.1.21 "Class A Percentage Interest" means the percentage ownership interest of a Class A Limited Partner in the Partnership *vis-à-vis* the other Class A Limited Partners expressed as a percentage. The Class A Partner Percentage Interest of each Class A Limited Partner in the Partnership will be determined on the first day of each month and will be a percentage reflected by a fraction, the numerator of which is that Class A Limited Partner's Unreturned Class A LP Capital Contribution and the denominator of which is the aggregate Unreturned Class A LP Capital Contributions of all Class A Limited Partners. A Class A Percentage Interest will be subject to fluctuation and adjustment as provided elsewhere in this Agreement, including, without limitation, based upon additional Class A LP Capital Contributions made to the Partnership by Class A Limited Partners, and/or the issuance of additional Class A Limited Partner Units to Class A Limited Partners in the Partnership.

1.1.22 "Class A Preferred Return" means a cumulative, non-compounded preferred return at the Class A Preferred Return Rate per annum on the Unreturned Capital Contributions of a Class A Limited Partner, determined on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days occurring in the period for which the Class A Preferred Return is being determined, cumulative to the extent not distributed pursuant to Section 4.1.1(i) or Section 4.1.2(i), of the average daily balance of the Unreturned Capital Contributions of a Class A Limited Partner, from to time, during the period to which the Class A Preferred Return relates, commencing on the date following the day on which the Class A Limited Partner first makes a Capital Contribution.

1.1.23 "Class A Preferred Return Rate" means a cumulative, non-compounded preferred return of 8.25% per annum on the Unreturned Capital Contributions of a Class A Limited Partner, determined on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days occurring in the period for which the Class A Preferred Return is being determined, cumulative to the extent not distributed in any period pursuant to Section 4.1.1(i) or Section 4.1.2(i) of the average daily balance of the Unreturned Capital Contributions of a Class A Limited Partner, from time to time, during the period to which the Class A Preferred Return relates, commencing on the date following the day on which the Class A Limited Partner first makes a Capital Contribution. In the event a Class A Limited Partner enters into a Lock-Up Agreement in accordance with Section 6.11, then the Class A Preferred Return Rate applicable to the Lock-Up Period shall be increased 9.25% per annum, calculated in the same manner set forth above (the "Lock-Up Period Preferred Return Rate" with the 1% difference from the regular Class A Preferred Return Rate and the Lock-Up Period Preferred Return Rate being referred to herein as the "Lock-Up Delta"), provided, however, (i) immediately following the expiration of a Lock-Up Period, and if the Class A Limited Partner has not entered into an additional Lock-Up Agreement pursuant to which the Lock-Up Period will be extended, then the Class A Preferred Return will immediately and

automatically revert to 8.25% per annum for all periods going forward until an additional Lock-Up Agreement is entered into by the Class A Limited Partner; and (ii) the Lock-Up Delta shall accrue and be payable on the first anniversary of the last day of the calendar quarter following the date on which the Class A Limited Partner first makes a Capital Contribution, and each annual Lock-Up Delta shall accrue each year thereafter on such same calendar quarter end date.

1.1.24 "Class B Limited Partner" means any Person who (i) executes this Agreement as a Class B Limited Partner or who has been admitted as an additional or Substitute Class B Limited Partner pursuant to the terms of this Agreement and (ii) is the owner of a Class B Limited Partner Unit. "Class B Limited Partners" means all such Persons.

1.1.25 "Class B Limited Partner Units" means all of the Class B Limited Partner Units of a Class B Limited Partner in the Partnership at any particular time, including the right of such Class B Limited Partner to any and all benefits to which a Class B Limited Partner may be entitled as provided in this Agreement, together with the obligations of such Class B Limited Partner to comply with all of the terms and provisions of this Agreement.

1.1.26 "Class B LP Capital Account" means individual accounts established and maintained in accordance with the Tax Matters Schedule of this Agreement. The Class B Limited Partner acknowledges that a separate Class B LP Capital Account will be established on its behalf. The Class B LP Capital Account of the Class B Limited Partner shall be subject to adjustment as provided elsewhere in this Agreement.

1.1.27 "Class B LP Capital Contribution" means, with respect to any Class B Limited Partner, the amount of money and the fair market value (as agreed by the Partnership and the contributing Class B Limited Partner) of any property contributed to the Partnership with respect to the Class B Limited Partner Unit in the Partnership held by the Class B Limited Partner, whether directly or indirectly, provided, however, that unless otherwise approved by the General Partner, all Class B LP Capital Contributions shall be in cash.

1.1.28 "Class B Percentage Interest" means the percentage ownership interest of a Class B Limited Partner in the Partnership *vis-à-vis* the other Class B Limited Partners expressed as a percentage. The Class B Percentage Interest of each Class B Limited Partner in the Partnership will be determined on the first day of each month and will be a percentage reflected by a fraction, the numerator of which is that Class B Limited Partner's Unreturned Class B LP Capital Contribution and the denominator of which is the aggregate Unreturned Class B LP Capital Contributions of all Class B Limited Partners. A Class B Percentage Interest will be subject to fluctuation and adjustment as provided elsewhere in this Agreement, including, without limitation, based upon additional Class B LP Capital Contributions made to the Partnership by Class B Limited Partners, and/or the issuance of additional Class B Limited Partner Units to Class B Limited Partners in the Partnership.

1.1.29 "Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

1.1.30 "Control" means the power to direct the management and policies of an entity, directly or indirectly, whether through the ownership of voting securities or other beneficial interests, by contract or otherwise. The terms "Controlled" and "Controlling" shall have correlative meanings.

1.1.31 "Covered Person" means the General Partner, the Partnership Representative, an Advisory Board Member or an Affiliate of any of them and, directly or indirectly, the respective officers, directors, shareholders, partners, members, trustees, beneficiaries, employees, representatives or agents of the General Partner, the Partnership Representative, an Advisory Board Member or an Affiliate of any of them.

1.1.32 "Days" means all calendar days exclusive of Saturdays, Sundays, and days that are legal holidays under the laws of the United States or the State of Arizona.

1.1.33 "Defaulting Partner" means as set forth in Section 1.7.3 of the Tax Matters Schedule.

1.1.34 "Defaulting Party" means as set forth in Section 12.1.

1.1.35 "Disabled" and "Disability" means, with respect to any Limited Partner or the General Partner:

1.1.35.1 the appointment by a court of competent jurisdiction of a guardian or conservator to act for such party;

1.1.35.2 a party hereto that:

(i) is "disabled," as such term is defined in the disability income policy maintained by the Partnership or such party at the time in question, and such disability continues for a consecutive period of 360 calendar days or for shorter periods aggregating 360 calendar days (including sick leave days) during any 18-month period; or

(ii) if no disability income policy is maintained by the Partnership or such party, and such party is an employee of the Partnership, is found to be unable to fully perform substantially all material aspects of such party's duties as an employee of the Partnership on a regular and consistent basis for a consecutive period of 360 calendar days or for shorter periods aggregating 360 calendar days (including sick leave days), during any 18-month period; or

1.1.35.3 for a period of six months or more:

(i) is unaccountably absent;

(ii) is being detained under duress; or

(iii) is incarcerated by a government body.

If such party is a trust, this definition shall apply in the event of the death or Disability of the trustor/settlor of the trust who is involved in the day-to-day operation of the Partnership. If such party is an entity, this definition shall relate to death or Disability of the individual who is involved in the day-to-day operation of the Partnership.

1.1.36 "Fiscal Year" means as set forth in Section 8.3.

1.1.37 "General Partner" means CFIF III GP, LLC, a Delaware limited liability company, and includes any Person who becomes an additional or successor general partner of the Partnership pursuant to the provisions of this Agreement, each in such Person's capacity as a general partner of the Partnership.

1.1.38 "General Partner Capital Account" means, the individual account established and maintained in accordance with the Tax Matters Schedule of this Agreement. The General Partner acknowledges that a separate General Partner Capital Account will be established for the General Partner. The General Partner Capital Account of the General Partner shall be subject to adjustment as provided elsewhere in this Agreement.

1.1.39 "General Partner Capital Contribution" means, with respect to the General Partner, the amount of money and the fair market value (as agreed by the Partnership and the contributing General Partner) of any property contributed to the Partnership with respect to the General Partner Unit in the Partnership held by the General Partner, whether directly or indirectly.

1.1.40 "General Partner Units" means all of the General Partner Units of the General Partner in the Partnership at any particular time, including the right of the General Partner to any and all benefits to which the General Partner may be entitled as provided in this Agreement, together with the obligations of such General Partner to comply with all of the terms and provisions of this Agreement.

1.1.41 "Law Firm" means as set forth in Section 6.5.8.

1.1.42 "Limited Partner" means, where no differentiation is required, either a Class A Limited Partner, a Class B Limited Partner, or any other Partner holding a series of Units designated by the General Partner as a Limited Partner Unit.

1.1.43 "Limited Partner Capital Contribution" means with respect to each Limited Partner, the Class A LP Capital Contribution or the Class B LP Capital Contribution.

1.1.44 "Limited Partner Units" means the entire Units of a Limited Partner in the Partnership at any particular time, including the right of such Limited Partner to any and all benefits to which such Limited Partner may be entitled as provided in this Agreement, together with the obligations of such Limited Partner to comply with all of the terms and provisions of this Agreement.

1.1.45 "Liquidating Event" means as set forth in Section 11.1.

1.1.46 "Lock-Up Agreement" or "Lock-Up Agreements" means as set forth in Section 6.11.

1.1.47 "Lock-Up Delta" means as set forth in Section 1.1.23.

1.1.48 "Lock-Up Period" means as set forth in Section 6.11.

1.1.49 "Lock-Up Period Preferred Return Rate" means as set forth in Section 1.1.23.

1.1.50 "Majority in Interest" means any combination of the Class A Limited Partners owning more than 50% of the Class A Limited Partner Units held by all Class A Limited Partners at that time.

1.1.51 "Name and Mark" shall mean the "CALIBER FIXED INCOME FUND III LP" name and mark, together with any associated URL, any Caliber formatives, and any abbreviated marks thereof.

1.1.52 "Net Cash Flow From Operations" means, for any Fiscal Year or part thereof, (i) the excess, if any, of all proceeds received by the Partnership in connection with the operation of the Partnership Properties, excluding Capital Contributions, and including, but not limited to, payments and fees and charges associated with or related to the ownership, operation and management of any Partnership Property, any interest payments with respect to any Portfolio Debt, any distributions, dividends or other similar payments relating to equity positions in Portfolio Companies, or any other source, but excluding all Net Cash Flow From Sale or Refinance received by the Partnership; less (ii) the sum of (A) all cash expenditures of the Partnership (including capital expenditures and payments with respect to indebtedness and other short and long term obligations), (B) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for contingencies and the establishment of reasonable, prudent reserves; and (C) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for investment in additional Portfolio Properties or Portfolio Debt.

1.1.53 "Net Cash Flow From Sale or Refinance" means, for any Fiscal Year or part thereof, the excess, if any, of: (i) the sum, at any time, of (A) the repayment by any borrower of amount loaned by the Partnership, (B) any return of amounts invested in the Partnership in any Portfolio Properties, Portfolio Debt or any other assets, including as a result of any sale or transfer of such assets, (C) any Capital Contributions to the extent not invested by the Partnership, and (D) all proceeds received by the Partnership in connection with a Liquidating Event and any other amounts determined by the General Partner, in its sole discretion, that should not be included in the calculation of Net Cash Flow From Operations; less (ii) the sum of (A) all cash expenditures of the Partnership (including capital expenditures and payments with respect to indebtedness and other short and long term obligations), (B) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for contingencies and the establishment of reasonable, prudent reserves; and (C) the amount of any funds the General Partner, in its reasonable discretion, determines to set aside for investment in additional Portfolio Properties or Portfolio Debt.

1.1.54 "Net Equity" means as set forth in Section 10.3.

1.1.55 "Parallel Fund" means as set forth in Section 2.8.1.

1.1.56 "Partner" means, where no differentiation is required, any General Partner, Class A Limited Partner, Class B Limited Partner, or any other Limited Partner holding a series of Units designated by the General Partner as a Limited Partner Unit. "Partners" means all such Persons.

1.1.57 "Partnership" means the limited partnership formed pursuant to that certain Agreement of Limited Partnership of Caliber Fixed Income Fund III LP between the General Partner and the Limited Partners, dated effective as of April 1, 2018, as amended by that certain Amendment to Agreement of Limited Partnership of Caliber Fixed Income Fund III LP, dated effective as of May 21, 2018, as thereafter amended.

1.1.58 "Partnership Documents" means as set forth in Section 6.5.8.

1.1.59 "Partnership Expenses" means as set forth in Section 5.4.4.

1.1.60 "Partnership Property" means any property held by the Partnership, and includes, without limitation, any Portfolio Property or Portfolio Debt.

1.1.61 "Permitted Transfer" means as set forth in Section 9.2.

1.1.62 "Person" means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof, and any fiduciary acting in such capacity on behalf of any of the foregoing.

1.1.63 "Personal Representative" means, with respect to any Limited Partner:

1.1.63.1 the person or persons, including any bank or trust company, who shall be the duly appointed, qualified and acting personal representative, executor or administrator of a such party's estate;

1.1.63.2 in the absence of a duly appointed personal representative, executor or administrator, the trustee of the such party's *inter vivos* trust which holds title to the Limited Partner Unit; or

1.1.63.3 in case of such party's Disability, the duly appointed, qualified and acting conservator or guardian of the such party's estate or the agent of such party acting pursuant to a duly executed durable power of attorney.

1.1.64 "Portfolio Company" means any limited liability company, partnership or corporation in which the Partnership owns any direct or indirect economic interest.

1.1.65 "Portfolio Debt" means any notes receivable secured by real estate or other notes receivables held by the Partnership.

1.1.66 "Portfolio Property" means any interest in any Portfolio Company acquired by the Partnership, together with any and all personal property, tangible or intangible,

related thereto or used in the ownership, operation or maintenance of such property or Portfolio Company, or otherwise in connection therewith, and all additions thereto and replacements thereof, including, without limitation, any and all interest in and to the Portfolio Properties.

1.1.67 "Private Placement Memoranda" means any private placement memoranda pursuant to which Units in the Partnership are sold to investors, as supplemented from time to time.

1.1.68 "Profits" and "Losses" shall have the meaning set forth in the Tax Matters Schedule attached hereto.

1.1.69 "Qualified Plans" means any individual retirement account, simplified employee pension qualifying under Section 408 of the Code, KEOGH plans, and retirement plans as described in Title I of the Employee Retirement Income Security Act of 1974, as amended.

1.1.70 "Redemption" means the redemptions of a Class A Limited Partner Unit in accordance with Section 4.3 hereof.

1.1.71 "Redemption List" shall have the meaning set forth in Section 4.3.1.

1.1.72 "Redemption Request" shall have the meaning set forth in Section 4.3.1.

1.1.73 "Services" means Caliber Services, LLC, an Arizona limited liability company, an Affiliate of the Partnership and parent of the General Partner.

1.1.74 "Stated Rate of Interest" means such rate as the General Partner may determine or successfully negotiate in its reasonable discretion.

1.1.75 "Substitute Limited Partner" means, with respect to the transferee of a Limited Partner Unit, any Person admitted to the Partnership as a "Limited Partner" pursuant to Section 9.6 hereof.

1.1.76 "Tax Loan" means as set forth in Section 1.7.3 of the Tax Matters Schedule.

1.1.77 "Tax Partner" means each of the General Partner and the Class B Limited Partners.

1.1.78 "Transfer" means as set forth in Section 9.1.

1.1.79 "UCC" means the Uniform Commercial Code.

1.1.80 "Unit" shall mean, with respect to any Partner, a General Partner Unit, a Class A Limited Partner Unit, or a Class B Limited Partner Unit, as applicable. The Units shall be subject to adjustment as provided elsewhere in this Agreement.

1.1.81 "Unit Holder" means a Person who owns Units of the Partnership but who is not a Partner, including, except as otherwise provided herein, a Partner who engages in a Withdrawal. A Unit Holder that owns more than one class of Units shall be considered to be a Unit Holder with respect to more than one class of Units for purposes of this Agreement.

1.1.82 "Unit Price" shall mean the dollar amount of Capital Contribution or cash value assigned to a single Unit hereof.

1.1.83 "Unreturned Class A LP Capital Contribution" means with respect to any Class A Limited Partner, the total Class A LP Capital Contributions made by that Class A Limited Partner with respect to that Class A Limited Partner's Class A Limited Partner Units, less all amounts actually distributed to that Class A Limited Partner pursuant to Section 4.1.2(ii).

1.1.84 "Unreturned Class B LP Capital Contribution" means with respect to any Class B Limited Partner, the total Class B LP Capital Contributions made by that Class B Limited Partner with respect to that Class B Limited Partner's Class B Limited Partner Units, less all amounts actually distributed to that Class B Limited Partner pursuant to Section 4.1.1(ii) or Section 4.1.2(iii).

1.1.85 "Unreturned Capital Contribution" means with respect to any: (A) Class A Limited Partner, that Class A Limited Partner's Unreturned Class A LP Capital Contribution, (B) Class B Limited Partner, that Class B Limited Partner's Unreturned Class B LP Capital Contribution, and (C) General Partner, that General Partner's Unreturned General Partner Capital Contribution.

1.1.86 "Unreturned General Partner Capital Contribution" means with respect to any General Partner, the total General Partner Capital Contributions made by that General Partner with respect to that General Partner's General Partner Units, less all amounts actually distributed to that General Partner pursuant to Section 4.1.1(ii) or Section 4.1.2(iii).

1.1.87 "Withdrawal" means as set forth in Section 10.1.

SECTION 2
FORMATION; PURPOSE

2.1 **Formation**. The Partnership was formed as a limited partnership upon the filing of the Certificate with the Secretary of State of the State of Delaware.

2.2 **Term**. The term of the Partnership commenced upon the filing of the Certificate with the Secretary of State of the State of Delaware and shall continue until the dissolution of the Partnership in accordance with the Act and this Agreement. The existence of the Partnership as a separate legal entity shall continue until cancellation of the Certificate in accordance with the Act.

2.3 **Name**. The name of the Partnership is "Caliber Fixed Income Fund III LP."

2.4 **Purpose**. The purpose of the Partnership shall be to invest, directly and indirectly, in real estate related debt and equity securities including, without limitation, (i) originating Portfolio

Debt with various terms, interest rates, maturity timelines, and collateral positions, including without limitation, loans on either a secured or unsecured basis, and for secured debt, loans that carry either senior or subordinated positions, with such security collateral including commercial real estate assets, residential real estate assets, plant and equipment, intellectual property, other personal property such as a borrower's accounts receivable and/or cash flow; (ii) Portfolio Debt on the secondary market with various terms, interest rates, maturity timelines, and collateral positions, including without limitation, loans on either a secured or unsecured basis, and for secured debt, loans that carry either senior or subordinated positions, with such security collateral including commercial real estate assets, residential real estate assets, plant and equipment, intellectual property, other personal property such as a borrower's accounts receivable and/or cash flow; (iii) originate or acquire specialty type Portfolio Debt or other financing arrangements, including debtor-in-possession financings, restructurings, hard-money loans, and other special situations; (iv) acquiring majority (including 100% equity positions) and minority equity interests in Portfolio Companies or asset holding companies, including, common equity positions, mezzanine equity interests, and preferred equity positions; and (v) invest into or acquire or refinance assets or entities affiliated with CaliberCos, Inc., or any of their affiliates, including, without limitation, acquiring mezzanine equity positions in various assets owned or controlled by the CaliberCos, Inc. or its affiliates and acquiring some or all of the assets or portfolio of assets of Caliber Fixed Income Fund II, LLC, a Delaware limited liability company, and other private investment funds that were organized and operated by CaliberCos, Inc., and which had or have similar investment objectives as the Partnership.

2.5 **Place of Business**. The Partnership's principal place of business shall be 8901 E. Mountain View Rd., Suite 150, Scottsdale, Arizona 85258. The Partnership may have other or additional places of business within or outside of the State of Arizona. The address of the registered office of the Partnership in the State of Delaware is 1675 South State Street, Suite B, Dover, Delaware 19901. The name and address of the registered agent for service of process on the Partnership in Delaware is Capitol Services, Inc., 1675 South State Street, Suite B, Dover, Delaware 19901.

2.6 **Nature of Units**. A Unit shall be personal property for all purposes. All property owned by the Partnership, whether real or personal, tangible or intangible, shall be owned by the Partnership as an entity, and no Partner shall have any direct ownership of such property or any right to use such property for any purpose other than a purpose of the Partnership.

2.7 **Name and Mark**.

2.7.1 Notwithstanding any provision of this Agreement to the contrary, the Partners acknowledge and agree that: (i) the Name and Mark are the property of the General Partner or its Affiliates (other than the Partnership) and in no respect shall the limited right to use the Name and Mark be deemed an asset of the Partnership; (ii) the Partnership's limited right to use the Name and Mark may be withdrawn by the General Partner or its Affiliates at any time without compensation to the Partnership; (iii) the Partnership has no right to license, sublicense, assign, or otherwise transfer any right, title or interest in or to the Name and Mark; (iv) no Partner other than the General Partner shall, by virtue of its ownership of a Unit or interest in the Partnership, hold any right, title or interest in or to the Name and Mark; (v) all goodwill and similar value associated with the Name and Mark are owned by, and shall accrue solely for the benefit of, the General Partner or its Affiliates (other than the Partnership); and

(vi) following the dissolution and liquidation of the Partnership, the limited right of the Partnership to use the Name and Mark shall be terminated. Except as specifically authorized by the General Partner or its Affiliate in writing, in no event shall any Limited Partner use the Name and Mark for its own account.

2.7.2 Subject to Section 2.7.1, the General Partner hereby grants to the Partnership, and the Partnership hereby accepts, a non-exclusive, non-assignable, non-sublicensable, royalty-free license to use, during the term of the Partnership, the Name and Mark as part of the legal name of the Partnership; and otherwise in connection with the conduct by the Partnership of its activities in accordance with this Agreement.

2.7.3 The General Partner and its Affiliates shall be entitled to take all reasonable actions to protect their ownership of the Name and Mark. The Partnership shall use the Name and Mark only in a manner and format approved in writing by the General Partner, and only in connection with goods or services adhering to such standards, specifications, and instructions as are developed by the General Partner and its Affiliates (other than the Partnership). If the General Partner or such Affiliates determine that the Partnership is not using, or cannot use, the Name and Mark in accordance with such format, manner, standards, specifications, and instructions, the Partnership shall cure the cause of such failure or, if the General Partner determines that the Partnership cannot or should not cure such failure, discontinue such non-conforming use. The General Partner shall have the right to present to its Affiliates all information concerning the Partnership's use of the Name and Mark as shall be reasonably necessary for such Affiliates to determine whether such format, manner, standards, specifications, and instructions have been, and are likely to be, satisfied.

2.7.4 If the name, mark or URL of the Partnership are changed, the foregoing provisions of this Section 2.7 shall apply equally to the new name, mark or URL.

2.8 Parallel Funds.

2.8.1 General. The Limited Partners acknowledge and agree that the General Partner may organize one or more of the investment funds in connection with the organization of the Partnership for purposes including, but not limited to, the following (each a "Parallel Fund"):

2.8.1.1 reducing the exposure of investors to United States income tax liability in respect of "trade or business" income.

2.8.1.2 seeking an exemption from such registration as an "investment company," within the meaning of the Investment Company Act.

2.8.1.3 addressing regulatory, tax or similar considerations applicable to the investors therein (it being acknowledged that merely obtaining a more advantageous economic arrangement relative to the General Partner or the Limited Partners is not a "similar consideration").

In order to most efficiently seek exemption from registration requirements for both the Partnership and the Parallel Fund, when applicable, without materially altering the economic rights and obligations of the Partners, the General Partner, in its reasonable discretion, may at any time

cause a Limited Partner to exchange its Units in the Partnership for an economically equivalent interest in the Parallel Fund or vice-versa.

2.8.2 Parallel Investment Activities.

2.8.2.1 If one or more Parallel Funds are formed, the Partnership and such Parallel Funds shall, to the maximum extent reasonably practicable, jointly participate in each investment (on substantially identical terms) in any manner reasonably determined by the General Partner. To the maximum extent reasonably practicable, the Parallel Funds shall not sell or distribute Portfolio Company securities unless the Partnership is engaging or has engaged in a proportionate sale or distribution of corresponding securities (in the case of a sale, on substantially the same terms).

2.8.2.2 Solely with respect to a Parallel Fund formed for the purpose of reducing the exposure of investors to United States income tax liability in respect of "trade or business" income, the General Partner shall exercise its independent business judgment (taking into account its separate fiduciary duties to such fund) in determining when, whether, and the extent to which such fund shall acquire, hold or dispose of any specific investments. The Partners expressly do not intend to directly, or indirectly through the Partnership, enter into any actual or constructive partnership with such Parallel Fund or the equity holders thereof.

SECTION 3
CONTRIBUTIONS; CAPITAL ACCOUNTS

3.1 Limited Partner Capital Accounts. A separate Capital Account shall be maintained for each Class B Limited Partner in accordance with the Tax Matters Schedule attached hereto and incorporated herein by reference.

3.2 General Partner Capital Accounts. A separate General Partner Capital Account shall be maintained for the General Partner in accordance with the Tax Matters Schedule attached hereto and incorporated herein by reference.

3.3 Limited Partner Loans. Subject to the terms of this Agreement, any Limited Partner may, with the approval of the General Partner, lend or advance money to the Partnership; provided, however, no Limited Partner shall be obligated to make any loans to the Partnership. If any Limited Partner makes any loan or loans to the Partnership or advances money on its behalf, the amount of any such loan or advance shall not be treated as a Capital Contribution to the Partnership, but shall be an indebtedness of the Partnership payable to such Limited Partner. The amount of any such loan or advance by a lending Limited Partner shall be repayable out of the Partnership's cash and shall bear interest at the Stated Rate of Interest during the period such loan is outstanding.

3.4 General Partner Loans. Subject to the terms of this Agreement, the General Partner may lend or advance money to the Partnership; provided, however, the General Partner shall not be obligated to make any loans to the Partnership. If the General Partner makes any loan or loans to the Partnership or advances money on its behalf, the amount of any such loan or advance shall not be treated as a Capital Contribution to the Partnership, but shall be an indebtedness of the Partnership payable to the General Partner. The amount of any such loan or advance by the General

Partner shall be repayable out of the Partnership's cash and shall bear interest at the Stated Rate of Interest.

3.5 Other Matters.

3.5.1 Except as specifically provided in this Agreement, or as otherwise approved by the General Partner, no Limited Partner shall receive any interest, salary or draw with respect to its Limited Partner Capital Contributions. Subject to the terms of this Agreement, Limited Partners may, however, at the General Partner's discretion, be entitled to receive a salary for services rendered on behalf of the Partnership or otherwise in their respective capacities as Limited Partners.

3.5.2 Except as otherwise provided by this Agreement or by a separate agreement or with third-party creditors or in the Act or otherwise at law, no Limited Partner shall be liable for the debts, liabilities, contracts or any other obligations of the Partnership beyond its respective Limited Partner Capital Contribution and no General Partner shall be liable for the debts, liabilities, contracts or any other obligations of the Partnership beyond the General Partner Capital Contribution.

3.5.3 None of the provisions of this Agreement, whether in regard to contributions or otherwise, is intended for the benefit of, nor shall such provisions be enforceable by, creditors of the Partnership beyond the Capital Contributions.

SECTION 4
DISTRIBUTIONS; ALLOCATIONS

4.1 Distributions.

4.1.1 Distributions of Net Cash Flow From Operations. Except as otherwise provided in Section 4.1.3 and Section 11 hereof, Net Cash Flow From Operations, if available for distribution under this Section 4.1.1, as determined by the General Partner in its sole discretion, shall be distributed monthly, payable on or before the fifteenth (15^{th}) day of the immediately following month, in the following priority, provided, however, that the General Partner shall have the sole and absolute discretion to treat any Net Cash Flow From Operations as Net Cash Flow From Sale or Refinance and distribution such amounts in accordance with Section 4.1.2:

(i) First, 100% to the Class A Limited Partners pro rata based on the Class A Preferred Return payable to the Class A Limited Partners, until each Class A Limited Partner has received the Class A Preferred Return payable to such Class A Limited Partner;

(ii) Thereafter, to the General Partner and the Class B Limited Partners, pro rata based on the Unreturned Capital Contributions of such Partners until each such Partner has received an amount equal to the Partner's Unreturned Capital Contributions, and thereafter 1% to the General Partner, and 99% to the Class B Limited Partners pro rata based on the Class B Percentage Interest.

In the event the General Partner elects to redeem a Class A Limited Partner's Class A Limited Partner Unit, the General Partner may elect to distribute Net Cash Flow From Operations, as such amounts are received by the Partnership, to the Class A Limited Partner(s) the General Partner has elected to redeem. Any distribution of Net Cash Flow From Operations in connection with a Redemption shall be subject to and conducted in accordance with the terms set forth below in Section 4.3.

4.1.2 Distribution of Net Cash Flow From Sale or Refinance. Except as otherwise provided in Section 4.1.3 and Section 11 hereof, Net Cash Flow From Sale or Refinance, if any, shall be distributed at such times as the General Partner may determine in the following priority:

(i) First, 100% to the Class A Limited Partners pro rata based on the Class A Preferred Return payable to the Class A Limited Partners, until each Class A Limited Partner has received the Class A Preferred Return payable to such Class A Limited Partner;

(ii) Second, 100% to the Class A Limited Partners pro rata based on the Unreturned Capital Contributions of the Class A Limited Partners, until each Class A Limited Partner has received an amount equal to the Partner's Unreturned Capital Contributions; and

(iii) Thereafter, to the General Partner and the Class B Limited Partners, pro rata based on the Unreturned Capital Contributions of such Partners until each such Partner has received an amount equal to the Partner's Unreturned Capital Contributions, and thereafter 1% to the General Partner, and 99% to the Class B Limited Partners pro rata based on the Class B Percentage Interest.

4.1.3 Distributions, Generally.

4.1.3.1 Notwithstanding any other provision of this Agreement, the Partnership shall not be required to make a distribution to the Limited Partners or the General Partner in violation of the Act and other applicable law. Further, the General Partner shall have the sole and absolute discretion to invest or reinvest any Cash Available for Distribution consistent with the purpose of the Partnership, rather than making a distribution pursuant to Section 4.1.1 through Section 4.1.2 or Section 4.1.4.3, provided, however, that the General Partner shall (i) to the extent Net Cash Flow From Operations is available, make the monthly distributions required under Section 4.1.1(i), and (ii) make a good faith effort to set aside cash available to the Partnership to make a timely distribution pursuant to Section 4.1.4.3.

4.1.3.2 In the event the Partnership makes one or more distributions to any Class A Limited Partner and the result of such distributions, whether pursuant to a Redemption (as such term is defined below), a distribution of Net Cash Flow From Operations, a distribution of Net Cash Flow From Sale or Refinance or otherwise, is the payment in full of such Class A Limited Partner's Class A Preferred Return and a return of 100% of such Class A Limited Partner's Class A LP Capital Contribution, such owner's Class A Limited Partner Units shall be deemed fully redeemed by the Partnership and from and after the date of such final payment, said Class A

Limited Partner shall no longer have any right, title or interest in, to or under the Class A Limited Partner Units and/or the Partnership.

4.1.3.3 Notwithstanding Section 4.1.1 through Section 4.1.2, within 75 days of the end of each taxable Fiscal Year, the General Partner shall distribute to each Tax Partner, to the extent cash is available to the Partnership, as determined by the General Partner, an amount which, when combined with the other amounts distributed to such Tax Partner pursuant to Section 4.1.1 through Section 4.1.2 and this Section 4.1.4.3 in that Fiscal Year and all prior Fiscal Years, equals the cumulative net taxable income allocated to the Tax Partner under the Tax Matters Schedule for that Fiscal Year and all prior Fiscal Years (taking into account losses allocated to that Tax Partner in prior Fiscal Years to the extent not previously accounted for) multiplied by the highest applicable federal and Arizona state marginal tax rates in effect for individuals or corporations that Fiscal Year (taking into account the Medicare tax under Code Section 1411 and the deductibility of state income taxes for purposes of determining the federal income tax rate and, if the income or gain is taxed as long term capital gain or Code Section 1231 gain, the highest applicable federal and state marginal tax rates applicable to such gains). Distributions, if any, made pursuant to this Section 4.1.4.3 will be treated as a distribution to such Tax Partner under Section 4.1.1 through Section 4.1.2 (based on the source of taxable income resulting in the distribution under this Section 4.1.4.3 as reasonably determined by the General Partner) and taken into account in determining subsequent distributions pursuant to Section 4.1.1 through Section 4.1.2 so that, in the aggregate, all distributions are divided among the Partners in the manner they would be divided without regard to this Subsection. For the sake of clarification, the Class A Limited Partners are not entitled to any distributions pursuant to this Section 4.1.3.3.

4.2 Allocation of Profits and Losses. Profits and Losses shall be allocated to the Tax Partners in accordance with the Tax Matters Schedule attached hereto and incorporated herein by reference.

4.3 Redemption of Class A Limited Partner Units.

4.3.1 The General Partner shall have the right to unilaterally redeem all or any portion of a Class A Limited Partner's Class A Limited Partner Units at any time by payment of any accrued but unpaid Class A Preferred Return applicable to the applicable Class A Limited Partner Units together with the Unreturned Capital Contribution of such Class A Limited Partner Units. No Class A Limited Partner shall have any right to require a Redemption of all or a portion of its Class A Limited Partner Units, however, any Class A Limited Partner may request that the Partnership redeem 100% of its Class A Limited Partner Units by submitting a written request (a "Redemption Request") to the General Partner. The General Partner shall maintain a list (the "Redemption List") of all such requests and may elect to grant Redemption Requests and carry out Redemptions with or without regard to the Redemption List. If the General Partner elects to redeem any Class A Limited Partner's Class A Limited Partner Units, whether unilaterally or pursuant to a Redemption Request, such Redemption shall be conducted at such time, in such manner and by such methodology as the General Partner may determine in its sole absolute discretion.

4.3.2 If a Redemption Request is made by a Class A Limited Partner, it is anticipated that the General Partner will attempt to redeem such Class A Limited Partner within seven (7) Business Days of receipt of the Redemption Request, to the extent that the

Partnership has funds available for distribution or available credit sufficient to satisfy the Redemption Request. Notwithstanding the above, under no condition shall the General Partner be required to redeem a Class A Limited Partner under this Section 4.3, except as determined by the General Partner is its absolute and sole discretion.

4.3.3 As a general matter, and without limiting the generality of the foregoing paragraph, the General Partner may elect to redeem Class A Limited Partner Units incrementally over time or by making a single Redemption payment to the applicable Class A Limited Partners. In the event the General Partner elects to redeem a Class A Limited Partner's Class A Limited Partner Units incrementally over time, Redemption payments shall continue until such time as each Redemption has been satisfied in full (i.e., the Class A Limited Partner has received payment in full of such Class A Limited Partner's Class A Preferred Return and a return of 100% of such Class A Limited Partner's Class A LP Capital Contribution). To the extent Class A Limited Partner Units are redeemed over time, the value of the Class A Limited Partner Units being redeemed shall be adjusted in accordance with the accrual of the Class A Preferred Return based upon the amount and date of each incremental Redemption payment. Any incremental payments made by the Partnership in connection with a Redemption shall be credited first against the amount of the Class A Preferred Return accrued as of the date of such payment and thereafter credited against such Class A Limited Partner's Class A LP Capital Contribution. Until all such required payments have been made (i.e., the Class A Limited Partner has received payment in full of such Class A Limited Partner's Class A Preferred Return and a return of 100% of such Class A Limited Partner's Class A LP Capital Contribution), such Class A Limited Partner shall remain as a Class A Limited Partner of the Partnership, entitled to receive all the benefits of a Class A Limited Partner based upon its Class A Percentage Interest, which may be reduced with each Redemption payment. The General Partner may utilize any source of proceeds other than Class A LP Capital Contributions to effectuate a Redemption, including, but not limited to, the use of Capital Contributions for purposes of making Redemptions.

4.3.4 Any payments made to a Class A Limited Partner in connection with the redemption of such Class A Limited Partner's Class A Limited Partner Units shall be subject to all applicable withholdings with regard to the collection of taxes, interest, and penalties attributable to such Class A Limited Partner. If the General Partner deems it necessary, the General Partner may set up an escrow account or otherwise set aside any amounts as reasonably determined by the General Partner pending the determination of whether any withholding is required. Any such amounts withheld by the Partnership with regard to the collection of taxes, interest, and penalties attributable to such Class A Limited Partner in connection with a redemption and paid to any taxing jurisdiction shall be treated as a payment under this Section 4.3.

4.3.5 Following the Redemption of any Class A Limited Partner Unit, the Class A Limited Partner shall continue to be subject to the provisions of Section 1.7.5 of the Tax Matters Schedule.

4.3.6 Notwithstanding anything to the contrary in this Agreement, the General Partner does not intend to cause the Partnership to redeem any Class A Limited Partner Units if the Redemption could cause the Partnership to become a "publicly traded partnership" within the meaning of Code Section 7704(b).

SECTION 5
GENERAL PARTNER

5.1 Management Powers. The General Partner shall have control of and shall be responsible for the management of the Partnership business (and any Portfolio Company, to the extent applicable), with all rights and powers generally conferred by this Agreement and by the Act, subject only to any the limitations set forth in this Agreement, including Section 5.2 below. Without limiting the generality of the foregoing, and subject to Section 5.2 below, the General Partner shall have full power and authority to do the following:

5.1.1 Perform administrative and ministerial functions in connection with the day-to-day operation of the Partnership;

5.1.2 Perform sales and accounting management functions for the Partnership;

5.1.3 Maintain the Partnership's books and records;

5.1.4 Negotiate and enter into any and all contracts by and on behalf of the Partnership deemed appropriate by the General Partner, in its sole discretion, in connection with the operation of the Partnership's business;

5.1.5 Borrow money on behalf of the Partnership, including, but not limited to, establishing lines of credit in the name of the Partnership, and, in connection therewith, to execute and deliver for, on behalf of and in the name of the Partnership, bonds, notes, pledges, security agreements, financing statements, profits interest agreements, assignments and other agreements and documents creating liens on, or granting security interests in or otherwise affecting, the assets and properties of the Partnership (any of which loan documents may contain confessions of judgment and powers of attorney) including, without limitation, any extensions, renewals and modifications thereof, and to prepay in whole or in part, refinance, recast, increase, modify or extend any indebtedness of the Partnership. There shall be no limit on the amount of money that can be borrowed in connection with any one Portfolio Property. Notwithstanding the foregoing, the Partnership shall borrow no more than 50% of the then current Capital Contributions of the Limited Partners (both Class A Limited Partners and Class B Limited Partners);

5.1.6 Hold, operate, manage, and otherwise deal with Partnership Property;

5.1.7 Purchase, sell, convey, assign, lease, rent, exchange, and otherwise dispose of, in whole or in part, any Portfolio Property;

5.1.8 Loan Partnership funds and in connection therewith acquire Portfolio Debt and enter into any modifications of any Portfolio Debt;

5.1.9 Sell all or substantially all Partnership Property in a single transaction or plan;

5.1.10 Engage, on behalf of the Partnership, all employees, agents, contractors, property managers, attorneys, accountants, securities broker-dealers, consultants or any other Persons (including Affiliates of the General Partner), as the General Partner, in its sole discretion, deems appropriate for the performance of services in connection with the conduct, operation and management of the Partnership's business and affairs, all on such terms and for such compensation as the General Partner, in its sole discretion, deems proper and to replace any such employees, agents, contractors, property managers, attorneys, accountants, securities broker-dealers, consultants, or any other Persons, in the sole discretion of the General Partner;

5.1.11 Establish and maintain working capital reserves for operating expenses, capital expenditures, normal repairs, replacements, contingencies, and other anticipated costs relating to the assets of the Partnership by retaining a portion of Partnership proceeds as determined from time to time by the General Partner to be reasonable under the then-existing circumstances;

5.1.12 Subject to the limitations and obligations set forth herein, determine the amounts of Cash Available for Distribution, Net Cash Flow From Operations and/or Net Cash Flow From Sale or Refinance, and when and in what amounts such funds shall be distributed;

5.1.13 Pay the expenses of the Partnership from the funds of the Partnership, provided that all of the Partnership's expenses shall, to the extent feasible, be billed directly to and paid by the Partnership;

5.1.14 File, on behalf of the Partnership, all required local, state and federal tax returns relating to the Partnership or its assets and properties, and to make or determine not to make any and all elections with respect thereto;

5.1.15 Invest and reinvest the funds of the Partnership and to establish bank, money market and other accounts for the deposit of the Partnership's funds and permit withdrawals therefrom upon such signatures as the General Partner designates;

5.1.16 Execute and deliver any and all instruments and documents, and to do any and all other things necessary or appropriate, in the General Partner's sole discretion, for the accomplishment of the business and purposes of the Partnership or necessary or incidental to the protection and benefit of the Partnership;

5.1.17 Prosecute, defend, settle or compromise, at the Partnership's expense, any suits, actions or claims at law or in equity to which the Partnership is a party or by which it is affected as may be necessary or proper in the General Partner's sole discretion, to enforce or protect the Partnership's interests, and to satisfy out of Partnership funds any judgment, decree or decision of any court, board, agency or authority having jurisdiction or any settlement of any suit, action or claim prior to judgment or final decision thereon;

5.1.18 Issue additional Units or other forms of interest in the Partnership, admit additional Partners, and amend the Partnership Agreement in connection with the creation of such additional Units or other forms of interest in the Partnership to incorporate the

rights and obligations relating to such additional Units or other forms of interest in the Partnership, as the General Partner may determine in its sole and absolute discretion;

5.1.19 Intentionally deleted;

5.1.20 Create and issue additional limited partnership interests and/or units and classes and groups of limited partners and admit such limited partners as the General Partner may determine in its sole and absolute discretion;

5.1.21 Subject to the terms of Section 4.3 above, redeem Partners' Units in the Partnership and determine the methodology for carrying out any Redemptions;

5.1.22 Negotiate the terms of and cause the Partnership to enter into joint ventures or other legal structures with one or more third parties, including with Affiliates of the General Partner, as the General Partner may determine in its sole discretion, in connection with the operation of the Partnership's business;

5.1.23 Subject to Section 4.1.3.1, reinvest any Cash Available for Distribution;

5.1.24 Enter into any transactions with an Affiliate of the General Partner or any Limited Partner at arm's length terms;

5.1.25 Amend this Agreement to comply with the provisions of the Bipartisan Budget Act of 2015 and any U.S. Treasury Regulations or other administrative pronouncements promulgated thereunder, and to administer the effects of such provisions in an equitable manner, with each Partner hereby agreeing to be bound by the provisions of any such amendment;

5.1.26 Amend this Agreement to comply with a final determination of the IRS or state, local, or non-U.S. taxing authority, a court, or an agreement of the IRS or state, local, or non-U.S. taxing authority with the Partnership Representative, that a Class A Limited Partner Unit shall be treated as equity rather than debt for federal, state, local, or non-U.S. tax purposes;

5.1.27 To issue Limited Partner Units and such other limited partnership interests in the Partnership, and to create such additional classes or groups of limited partners, and to amend this Agreement in connection therewith, as the General Partner may determine in its sole discretion;

5.1.28 Amend this Agreement to address or reconcile any inconsistencies between the terms hereof and the terms set forth in the Private Placement Memorandum;

5.1.29 Amend this Agreement to the extent such amendments and/or modifications are required by any lender providing first lien financing on the Partnership Property, to satisfy any requirements of a lender in connection with the making of any loan to the Partnership or any Portfolio Company, or the requirements of any subsequent lender providing first lien financing on the Partnership Properties, but only to the extent such

requested changes and the corresponding amendment(s) do not materially and adversely affect the economic interests of the Limited Partners;

5.1.30 Require any and all Limited Partners to execute an amended and restated Limited Partnership Agreement for the Partnership, which will replace and supersede this Agreement, but only to the extent such agreement is amended per the terms of this Agreement and General Partner provides each Limited Partner hereof with a written statement verifying that the agreement is being amended per the terms of this Agreement;

5.1.31 To the extent each and every requirement of Section 5.1.29 immediately above has been satisfied and any Limited Partner fails to timely execute such an amended and restated Limited Partnership Agreement for the Partnership, to execute said agreement on behalf of such party, in such party's name and as its attorney-in-fact; and

5.1.32 Adjust the Unit Price as more specifically provided for herein.

5.2 Limitations. Without the consent of a Majority in Interest of the Class A Limited Partners and the General Partner, the General Partner shall not have authority to:

5.2.1 Amend this Agreement, other than: (a) with respect to those items specifically set forth in Section 5.1 above or elsewhere in this Agreement, or (b) to effect a ministerial change which does not materially and adversely affect the rights of Limited Partners;

5.2.2 Change the purpose of the Partnership to engage in activities inconsistent with or in addition to the stated purpose of the Partnership;

5.2.3 Adopt a plan of merger or consolidation of the Partnership with or into one or more other business entities defined in the Act at Section 17-211, as amended;

5.2.4 Do any act in contravention of this Agreement;

5.2.5 Do any act which would make it impossible to carry on the ordinary business of the Partnership, except as otherwise provided in this Agreement; or

5.2.6 Possess Partnership Property, or assign rights in specific Partnership Property, for other than a Partnership purpose.

5.3 Selection of the General Partner. The General Partner shall consist of one Person. The initial General Partner shall be CFIF III GP, LLC, a Delaware limited liability company. Any General Partner can be removed for Cause upon the approval of the Class A Limited Partners holding 75% of the Class A Limited Partner Units in the Partnership. "Cause" shall mean the determination of a court of competent jurisdiction that one of the following events occurred: (i) the General Partner willfully or intentionally violated, or recklessly disregarded, the General Partner's duties to the Partnership; or (ii) the General Partner committed any act involving fraud, bad faith, gross negligence, dishonesty, or moral turpitude in its duties and responsibilities to the Partnership. The General Partner may also withdraw as General Partner by providing written notice to the Limited Partners. In either event, a new General Partner shall be elected by the approval of a Majority in Interest, and the Majority in Interest shall vote to continue the business of the Partnership. The Limited

Partners hereby specifically authorize the General Partner to execute documents and sign agreements on behalf of the Partnership in lieu of requiring execution by the Limited Partners, and third parties shall be entitled to rely upon the signature of the General Partner as having authority to bind the Partnership.

5.4 Duties and Obligations of the General Partner/Fees and Reimbursement.

5.4.1 The General Partner shall take all actions which may be necessary or appropriate for: (i) the continuation of the Partnership's valid existence and qualification as a limited partnership under the laws of the State of Delaware; and (ii) the accomplishment of the Partnership's purposes, including the maintenance, preservation, and operation of the Partnership Property in accordance with the provisions of this Agreement and applicable laws and regulations.

5.4.2 The General Partner shall devote to the Partnership such time as may be necessary for the proper performance of all duties hereunder, but the General Partner shall not be required to devote full time to the performance of such duties.

5.4.3 Fees.

5.4.3.1 The General Partner will be entitled to receive compensation in the form of the "Asset Management Fee," which shall be an ongoing Asset Management Fee. The Asset Management Fee with respect to the Class A Limited Partner Units shall be equal to an annual 1% of the weighted average of the Unreturned Capital Contributions of the Class A Limited Partners, which may be payable in advance on a monthly basis at the discretion of the General Partner.

5.4.3.2 The General Partner, or any of its Affiliates that guarantee any Partnership loan, shall be entitled to a guaranty fee equal to .25% of the estimated guarantee amount on behalf of the Partnership and/or any Portfolio Companies for each calendar year during which such guarantee is outstanding.

5.4.3.3 The General Partner or any of its Affiliates may also be paid other fees as would be paid in the normal course of business, including, without limitation, in connection with accounting, property management, acquisition, provided, however, any fees paid by the Partnership to the General Partner or its Affiliates for the provision of such services shall be no greater than the Partnership would pay to an unaffiliated third party providing such services in either (i) Maricopa County, Arizona, for services provided to the Partnership as a whole, or (ii) the county and state where any Partnership Property is located, for services provided in connection with a specific Partnership Property.

5.4.3.4 The Partnership has entered into an agreement with WealthForge to provide execution and other services relating to the offer and sale of Class A Limited Partner Units. WealthForge will receive a placement fee equal to one half of one percent (0.5%) of the invested amount. Caliber Services, LLC, ("Services") an Arizona limited liability company, is an affiliate of the Partnership. Certain employees of Services will be registered representatives of WealthForge ("Affiliated Agents"). WealthForge will pay sales commissions to Affiliated Agents for their sale of Class A Limited Partner Units. Other activities that Affiliated Agents may perform on behalf of Services are an outside business activity of the Affiliated Agent. WealthForge may

enter into selling agreements with other broker-dealers who are members of FINRA ("Selling Group Members") to sell Class A Limited Partner Units. WealthForge will receive commissions ("Selling Commissions") in an amount of up to two percent (2%) of the invested amount if sold by an Affiliated Agent, and up to ten percent (10%) of the invested amount if sold by a Selling Group Member. WealthForge may reallocate allow these commissions to the Affiliated Agents and Selling Group Members respectively. However, amounts collected on behalf of Affiliated Agents and Selling Group Members will be reduced in the event a lower commission rate is negotiated by either WealthForge or the Partnership. The aggregate amount of selling expenses and Selling Commissions will not exceed ten percent (10%) of the invested amount. The Partnership will pay all selling expenses and commissions to WealthForge.

5.4.4 The Partnership shall pay or reimburse the General Partner for all expenses incurred or paid on behalf of the Partnership prior to or after the formation of the Partnership including, without limitation, all direct or indirect costs incurred by the General Partner in connection with the business of the Partnership (including, without limitation, an allocable share of the General Partner's administrative and overhead costs, including salaries and benefits provided to employees of the General Partner or its Affiliates and rent), Partnership Property-related costs and expenses, brokerage fees or commissions incurred in connection with the sale of Units (if any). Expenses to be borne by the Partnership ("Partnership Expenses") shall include, without limitation, the following costs and expenses associated with the formation, operation, dissolution, winding-up, or termination of the Partnership: (i) out-of-pocket expenses associated with the organization of the General Partner or the Partnership or the syndication of interests therein; (ii) legal, accounting, audit, tax, custodial and other professional fees, as well as consulting fees relating to services rendered to the Partnership, which shall include, without limitation, an allocable share of the General Partner's administrative and overhead costs relating to such or other services provided by the General Partner or any of its Affiliates to the Partnership; (iii) banking, brokerage, broken-deal, registration, qualification, finders, depositary and similar fees or commissions; (iv) transfer, capital and other taxes, duties and costs incurred in acquiring, holding, selling or otherwise disposing of Partnership assets; (v) insurance premiums, indemnifications, costs of litigation and other extraordinary expenses; (vi) costs of financial statements and other reports to Partners, as well as costs of all governmental returns, reports and other filings; (vii) costs of meetings of the Partners and meetings of the Advisory Board; (viii) interest expenses; (ix) advertising and public notice costs; (x) costs and expenses incurred by the Partnership Representative in its capacity as such; (xi) travel and other expenses incurred in investigating or evaluating investment opportunities; and (xii) any other expenses not listed in the preceding clauses (i) through (xi) that are reasonably related to the business of the Partnership. To the extent any such costs are incurred and paid for by the General Partner, whether prior to or after the Partnership's formation, the Partnership shall reimburse the General Partner therefor.

5.5 Exculpation/Indemnification of the General Partner.

5.5.1 To the maximum extent permitted under the Act in effect from time to time, no Covered Person shall be liable to the Partnership or to any Partner for (i) any act or omission performed or failed to be performed by it, or for any losses, claims, costs, damages, or liabilities arising from any such act or omission, except to the extent such loss, claim, cost damage, or liability results from such Person's gross negligence, willful misconduct or fraud;

(ii) any tax liability imposed on the Partnership; or (iii) any losses due to the misconduct, negligence (gross or ordinary), dishonesty or bad faith of any agents of the Partnership.

5.5.2 The Partnership, its receiver, or its trustee (in the case of its receiver or trustee, to the extent of the Partnership Properties) shall indemnify, save harmless, and pay all judgments and claims against the Covered Person relating to any liability or damage incurred by reason of any act performed or omitted to be performed by the Covered Person solely in connection with the business of the Partnership, including attorneys' fees incurred in connection with the defense of any action based on any such act or omission, which attorneys' fees may be paid as incurred.

5.5.3 In the event of any action by a Limited Partner against a Covered Person relating to any liability or damage incurred by reason of any act performed or omitted to be performed by the Covered Person solely in connection with the business of the Partnership, including a derivative suit, the Partnership shall indemnify, save harmless, and pay all expenses of such Limited Partner, including attorneys' fees incurred in the defense of such action, if such Limited Partner is successful in such action.

5.5.4 The General Partner shall have authority to cause the Partnership to acquire and maintain the equivalent of directors' and officers' insurance coverage insuring the actions of the Covered Persons in such amounts as it may determine appropriate and customary for a business of the type conducted by the Partnership.

5.5.5 Notwithstanding the provisions of Sections 5.5.1 and 5.5.2 above, a Covered Person shall not be indemnified from any liability for fraud, bad faith, gross negligence, or willful misconduct in its duties and responsibilities to the Partnership.

5.5.6 Notwithstanding anything to the contrary above, in the event that any provision in this Section 5.5 is determined to be invalid in whole or in part, the remainder of such Section shall be enforced to the maximum extent permitted by law.

5.6 Advisory Board.

5.6.1 The Partnership shall have an "Advisory Board" consisting of at least three members (the "Advisory Board Members") appointed by the General Partner; provided, however, that all of the of the Advisory Board Members shall be Limited Partners or their designated representatives (or equity holders of any Parallel Funds or their designated representatives). Subject to the foregoing, the General Partner may, in its sole and absolute discretion, increase the size of the Advisory Board. Any Advisory Board Member may, at any time, resign from the Advisory Board or be removed, with or without cause, by the General Partner. All such appointments, designations, resignations, and removals shall be effective upon notice to the Partnership.

5.6.2 The General Partner may consult with the Advisory Board with respect to such matters as determined by the General Partner in its sole and absolute discretion, but the Advisory Board shall have no other power to participate in the management of the Partnership. Without limiting the General Partner's ability to demonstrate that it has acted in good faith, the General Partner shall be deemed to have acted in good faith when

acting in accordance with the approval of the Advisory Board, provided that the General Partner made a good faith effort to inform the Advisory Board of all the facts pertinent to such approval.

5.6.3 A Person's status as an Advisory Board Member shall not constitute such Person as an agent of the Partnership, and, except as specifically provided in this Agreement, the Advisory Board shall have no power or authority to manage, direct or act for the Partnership.

5.6.4 If a Parallel Fund is formed, the Advisory Board shall function as a joint committee in respect of the Partnership and such Parallel Fund in the same manner as if the Partnership and the Parallel Fund were a single partnership and all the equity holders of the Partnership and the Parallel Fund were constituent partners thereof.

5.6.5 Any Advisory Board Member may, at its sole and absolute discretion, decline to participate in any specific deliberation or vote of the Advisory Board.

5.6.6 Any recommendation, determination, approval, or other action of the Advisory Board shall require the approval of a majority of its members. No such action shall require an actual meeting of the Advisory Board, but meetings may be held at the request of the General Partner or any Advisory Board Member. The General Partner intends to, but shall not be required to, hold quarterly meetings of the Advisory Board. With respect to any meeting of the Advisory Board held at the request of the General Partner, the costs of such meeting (including the reasonable out-of-pocket costs incurred by the General Partner and the Advisory Board members in attending such meeting) shall be a Partnership Expense, reimbursable to the General Partner and Advisory Board Members. The costs of any other meeting of the Advisory Board shall not be a Partnership Expense and shall not be reimbursed by the Partnership.

5.7 **Competition**. Nothing contained in this Agreement shall be construed to prohibit the General Partner or any Affiliate of the General Partner from conducting or possessing an interest in any other business or activity whatsoever, independently or with others, including, without limitation, the ownership, financing, leasing, operation, sale, management, syndication, and development of real property even if such business or activity competes with the business of the Partnership, without any accountability to the Partnership or to any other Partner, and no other Partner shall have any rights by virtue of this Agreement in and to such independent business or activity or to the income or profits derived by the General Partner therefrom.

SECTION 6
RIGHTS AND OBLIGATIONS OF PARTNERS

6.1 **Limitation of Liability**. Except as otherwise expressly provided by the Act, the debts, obligations and liabilities of the Partnership, whether arising in contract, tort or otherwise, shall be the debts, obligations and liabilities solely of the Partnership, and no Partner shall be obligated personally for any such debt, obligation or liability of the Partnership solely by reason of being a Partner of the Partnership.

6.2 **Priority and Return of Capital - Limited Partners**. No Limited Partner shall have priority over any other Limited Partner(s), either as to the return of Capital Contributions or as to Profits, Losses or distributions, except as set forth in Section 4 of this Agreement; provided that this Section 6.2 shall not apply to loans (as distinguished from Capital Contributions) which a Limited Partner has made to the Partnership.

6.3 **Services Provided by Limited Partners**. Limited Partners and/or their Affiliates may provide services to the Partnership and be compensated therefor, so long as such compensation arrangements are affirmatively approved by the General Partner and the party providing such services, and the fees paid are no greater than the Partnership would incur to third parties providing such services in either (i) Maricopa County, Arizona, for services provided to the Partnership as a whole, or (ii) the county and state where any Partnership Property is located, for services provided in connection with a specific Partnership Property.

6.4 **No Management by Limited Partners.** No Limited Partner, in its capacity as such, except as otherwise provided herein, shall take part in the day-to-day management, operation or Control of the business and affairs at the Partnership. The Limited Partners, in their capacity as such, shall not have any right, power, or authority to transact any business in the name of the Partnership or to act for or on behalf of or to bind the Partnership. A Limited Partner shall have no rights other than those specifically provided herein or granted by law.

6.5 **Representations, Warranties and Acknowledgments of the Limited Partners.** Each Limited Partner, as a condition to its admission as a Limited Partner, as the case may be, does hereby represent, warrant and acknowledge to the Partnership, the other Limited Partners and the General Partner that such party:

6.5.1 Authority to Act. Has full power and authority to execute and agree to this Agreement and to perform its obligations hereunder and all necessary actions and approvals by the board of directors, shareholders, managers, partners, or such other Persons necessary for the due authorization, execution, delivery and performance of this Agreement have been taken;

6.5.2 Review of Documents. Has carefully read this Agreement and each of the Exhibits attached hereto, as well as all other documents relevant to the investment contemplated hereby; has adequate familiarity with investments and businesses of the type contemplated by the Partnership to appreciate and understand each of such documents; has been afforded an adequate opportunity to retain legal and/or financial advisors of such party's choice to advise such party with respect to the investment contemplated hereby;

6.5.3 Risks of Investment. Understands that the Partnership is recently organized and has minimal financial or operating history and that there are risks incident to the investment contemplated hereby which are applicable to such party's investment in the Partnership; and has adequate experience and background in investing in investments of this type such that such party is able to adequately assess the risks of an investment herein;

6.5.4 Illiquidity. Understands that such party's investment in the Partnership will be illiquid; that such party must bear the economic risk of such investment for an indefinite period of time, because the Units (as applicable) hereunder are not registered

under the Securities Act of 1933 or any applicable state securities laws, to the extent applicable, and therefore cannot be sold unless they are subsequently registered under the Securities Act of 1933 and/or any applicable state securities laws, or an exemption from such registration is available; and that such party's right to assign any Unit in the Partnership is further restricted by the other provisions of this Agreement;

6.5.5 Independent Analysis. Has independently conducted such party's due diligence and evaluation with regard to the investment contemplated hereby; has been encouraged by the Partnership and the General Partner to engage such party's own legal, financial and tax advisors and has done so to the extent such party deemed appropriate; and has had access to all information such party considers necessary or appropriate to complete such party's due diligence and evaluation;

6.5.6 Access to Information. Has been afforded the opportunity to obtain any additional information such party deems necessary to verify any of the information set forth in this Agreement and the Exhibits attached hereto, and any other information such party deems appropriate concerning the proposed investment; has received answers from the General Partner on all inquiries such party has asked of the General Partner concerning the Partnership;

6.5.7 Reliance by Partnership and General Partner. Understands that the Partnership and the General Partner are permitting such party to acquire a Unit in reliance upon such party's representations and warranties as set forth in this Section 6.5; and such party is acquiring said Unit for such party's own account, as a principal, for investment, and not with a view to the resale or distribution of all or any part of such Unit, as the case may be, and not on behalf of any other Person; and

6.5.8 Representation. Acknowledges that this Agreement, and certain documents related to the organization of the Partnership (collectively, the "Partnership Documents"), were prepared by Snell & Wilmer, L.L.P. ("Law Firm"). With respect to Law Firm's participation (including rendering of advice) in the preparation of the Partnership Documents, such party agrees with the Partnership, the General Partner and the Limited Partners as follows:

6.5.8.1 Notwithstanding any prior, present and/or continuing representation by Law Firm of any Person comprising the General Partner or any Limited Partner, or any of their respective Affiliates or principals, with respect to other matters, Law Firm is only representing the Partnership and the General Partner and neither any Limited Partner (other than the General Partner) nor any of their respective principals in connection with the preparation of the Partnership Documents or thereafter;

6.5.8.2 Law Firm has expressly recommended to each Limited Partner that it obtain appropriate independent legal, tax and other professional consultation and advice with respect to the Partnership Documents and all aspects of the effect and enforceability thereof, and by executing this Agreement, each respective party to this Agreement confirms said recommendation by Law Firm; and

6.5.8.3 Law Firm has no obligation to render or provide any advice to any Limited Partner, or any of their respective Affiliates or principals, with respect to any of the Partnership Documents, or the effect or enforceability thereof.

6.6 Confidentiality.

6.6.1 The Limited Partners hereby acknowledge that the Partnership will be in possession of confidential information the improper use or disclosure of which could have a material adverse effect upon the Partnership or upon one or more Partners or Portfolio Companies.

6.6.2 The Limited Partners acknowledge and agree that all information provided to them by or on behalf of the Partnership or the General Partner concerning the Partnership, a Partner or a Portfolio Company (including all information contained in any private placement memorandum or other materials provided in connection with the formation of the Partnership or the placement of interests therein) shall be deemed strictly confidential and shall not, without the prior consent of the General Partner, be (i) disclosed to any Person (other than a Partner) or (ii) used by a Limited Partner other than for a Partnership purpose or a purpose reasonably related to protecting such Partner's Units and interest in the Partnership. The General Partner hereby consents to the disclosure by each Limited Partner of the Partnership information to such Limited Partner's accountants, attorneys and similar advisors bound by a duty of confidentiality. The General Partner consents to the use by any Limited Partner of the Partnership information solely for such Limited Partner's internal purposes to assess investment and other similar opportunities and circumstances, so long as such use causes no material harm to the Partnership, any other Partner, or any Portfolio Company and so long as, in any event, such use conforms to the requirements of all applicable laws (including laws relating to "insider trading"). The foregoing requirements of this Section 6.6 shall not apply to a Limited Partner with regard to any information that is currently or becomes: (i) required to be disclosed pursuant to applicable law or a domestic national securities exchange rule (but in each case only to the extent of such requirement); (ii) required to be disclosed in order to protect such Limited Partner's Units and interest in the Partnership (but only to the extent of such requirement and only after consultation with the General Partner); (iii) publicly known or available in the absence of any improper or unlawful action on the part of such Limited Partner; or (iv) known or available to such Limited Partner via legitimate means other than through or on behalf of the Partnership or the General Partner. For purposes of this Section 6.6, Partnership information (including information relating to a Portfolio Company or another Partner) provided by one Limited Partner to another shall be deemed to have been provided on behalf of the Partnership.

6.6.3 Provided that the Partnership and the General Partner may disclose any information to the extent necessary or convenient for the formation, operation, dissolution, winding-up, or termination of the Partnership (as determined by the General Partner in its reasonable discretion), the Partnership and the General Partner shall similarly refrain from disclosing any confidential information furnished by a Limited Partner pursuant to Section 6.6.

6.6.4 To the extent permitted by applicable law, the General Partner may, in its reasonable discretion, keep confidential from any Limited Partner information to the

extent the General Partner reasonably determines that: (i) disclosure of such information to such Limited Partner likely would have a material adverse effect upon the Partnership, a Partner or a Portfolio Company due to an actual or likely conflict of business interests between such Limited Partner and one or more other parties or an actual or likely imposition of additional statutory or regulatory constraints upon the Partnership, a Partner or a Portfolio Company; or (ii) in the case of a Limited Partner that the General Partner reasonably determines cannot or will not adequately protect against the disclosure of confidential information, the disclosure of such information to a non-Partner likely would have a material adverse effect upon the Partnership, a Partner, or a Portfolio Company.

6.7 Disclosures. Each Partner shall furnish to the Partnership upon request any information with respect to such Partner reasonably determined by the General Partner to be necessary or convenient for the formation, operation, dissolution, winding-up, or termination of the Partnership.

6.8 Possible Carried Interest Legislation. In the event of changes to United States Federal income tax law adversely affecting the taxation of the General Partner's Units and interest in the Partnership, the Partners will negotiate in good faith to amend the Partnership Agreement in such a manner as to minimize the adverse consequences for the General Partner and its members without a material increase to the after-tax consequences for the Limited Partners.

6.9 Acknowledgment of Liability for Taxes. To the extent that the laws of any taxing jurisdiction require, each Partner and Unit Holder requested to do so by the General Partner shall submit an agreement indicating that such person shall make timely income tax payments to the taxing jurisdiction and that such person accepts personal jurisdiction of the taxing jurisdiction with regard to the collection of taxes, interest, and penalties attributable to such person's income.

6.10 Withholding.

6.10.1 The Partnership shall withhold taxes from distributions to, and allocations among, the Partners to the extent required by law (as determined by the General Partner in its reasonable discretion). Except as otherwise provided in this Section 6.10, any amount so withheld by the Partnership with regard to a Partner shall be treated for purposes of this Agreement as an amount actually distributed to such Partner pursuant to Section 4. An amount shall be considered withheld by the Partnership if, and at the time, remitted to a taxing jurisdiction without regard to whether such remittance occurs at the same time as the distribution or allocation to which it relates.

6.10.2 If, pursuant to Section 6.10.1, an amount withheld with regard to a Partner is treated for purposes of this Agreement as an amount distributed to such Partner pursuant to Section 4, subsequent actual distributions to such Partner pursuant to Section 4 shall be reduced as necessary to, as quickly as possible, cause the aggregate distributions to such Partner over the term of the Partnership (including actual distributions and distributions deemed to have occurred pursuant to Section 6.10.1) to equal the actual distributions that would have been made to such Partner if Section 6.10.1 were not part of this Agreement.

6.10.3 Each Limited Partner shall reimburse the Partnership and the General Partner for any liability they may incur for failure to properly withhold taxes in

respect of such Limited Partner. Each Limited Partner hereby agrees that neither the Partnership nor the General Partner shall be liable for any excess taxes withheld in respect of such Limited Partner's Units and interest in the Partnership and that, in the event of overwithholding a Limited Partner's sole recourse shall be to apply for a refund from the appropriate taxing jurisdiction.

6.11 Lock-Up Agreement. Each Class A Limited Partner shall have the option to enter into a lock-up agreement (each a "Lock-Up Agreement" and collectively, the "Lock-Up Agreements") with the Partnership, in form and substance acceptable to the General Partner, pursuant to which a Class A Limited Partner agrees not to make a Redemption Request for the twelve (12) month period commencing on the first day of the calendar quarter immediately following the date of the Lock-Up Agreement, or such other period as mutually agreed to by the General Partner and the Class A Limited Partner (the "Lock-Up Period"). A Limited Partner may enter into a Lock-Up Agreement by providing written notice to the General Partner (and the General Partner thereafter expressly accepting such Lock-Up Agreement) of the Limited Partner's election to enter into such Lock-Up Agreement.

SECTION 7
MEETINGS; VOTING

7.1 Meetings of the Limited Partners. Meetings of the Class A Limited Partners, or a vote of the Class A Limited Partners without a meeting, may be called by the General Partner upon the written request of any one or more of the Class A Limited Partners holding 10% or more of the Class A Limited Partner Units. The call shall state the nature of the business to be transacted or, if no meeting is to be held, the matter to be voted on and the day that the votes shall be counted. Notice of any such meeting shall be given to the General Partner and all Class A Limited Partners not less than 10 Business Days or more than 30 days prior to the date of such meeting unless waived in writing. Whenever the vote or consent of Class A Limited Partners is permitted or required under this Agreement, such vote or consent may be given at a meeting of Class A Limited Partners or may be given in accordance with the procedure prescribed in Section 7.3.

7.2 Record Date. For the purpose of determining the Class A Limited Partners entitled to vote on a matter, or to vote at any meeting of the Class A Limited Partners or any adjournment thereof, the Class A Limited Partner requesting such meeting may fix, in advance, a date as the record date for any such determination. Such date shall not be more than 30 days nor less than 10 Business Days before any such meeting.

7.3 Method of Voting. Each Class A Limited Partner may cast the number of votes equal to such Class A Limited Partner's Class A Percentage Interest. A Class A Limited Partner may vote in person at a meeting, by written proxy or by a signed writing directing the manner in which such Class A Limited Partner desires its vote to be cast, which writing must be received by the other Class A Limited Partner(s) prior to the date on which votes are to be counted. The proxy of a Class A Limited Partner may authorize any Person or Persons to act for it on all matters in which a Class A Limited Partner is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Class A Limited Partner or its attorney-in-fact. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Class A Limited Partner executing it.

7.4 Meetings. Each meeting of Class A Limited Partners shall be conducted by the General Partner.

7.5 Action Without a Meeting; Telephone Meetings. Any action required by the Act or this Agreement to be taken at any annual or special meeting of the Partners, or any action which may be taken at any annual or special meeting of Partners, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the Class A Limited Partners holding not less than the minimum Class A Percentage Interest that would be necessary to authorize or take such action at a meeting at which all of the Partners were present. Any electronic communication, including, but not limited to, electronic mail, photographic, photostatic, facsimile or similar reproduction of a writing signed by a Partner shall be regarded as signed by such Partner for purposes of this Section 7.5. Subject to the provisions of applicable law and this Agreement regarding notice of meetings, Partners may participate in and hold a meeting by using a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a telephone meeting pursuant to this Section 7.5 shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

SECTION 8
BOOKS AND RECORDS

8.1 Books and Records. The Partnership shall keep adequate books and records at its principal place of business, setting forth a true and accurate account of all business transactions arising out of and in connection with the conduct of the Partnership. Subject to Section 6.6.4, any Partner or its respective designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of such books and records provided, however, that confidential communications between the Partnership and its legal counsel may be withheld from a Limited Partner in the General Partner's reasonable discretion.

8.2 Tax Information. Necessary tax information shall be delivered to each Class B Limited Partner after the end of each Fiscal Year of the Partnership. Such tax information shall include, but shall in no event be limited to, a Form K-1 and an internally prepared balance sheet and related statements of income, cash flow and Partners' capital for the most recently ended Fiscal Year of the Partnership. Any and all statements of income, cash flow and Partners' capital shall be prepared in accordance with United States generally accepted accounting principles consistently applied and certified (or reviewed) by independent certified public accountants retained by the General Partner on behalf of the Partnership and shall include a statement or certification that such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied. Every effort shall be made to furnish a Form K-1 to the Class B Limited Partners (or a reasonable estimate of taxable income or loss of the Class B Limited Partner) by March 31 of each Fiscal Year.

8.3 Fiscal Year. The "Fiscal Year" for the Partnership shall begin on January 1st of each year (provided that the Fiscal Year for the first year of the Partnership shall begin on the date of the formation of the Partnership) and end on December 31st of each year (provided that the

Fiscal Year for the last year of the Partnership shall end on the date of the liquidation of the Partnership).

SECTION 9
TRANSFER OF UNITS

9.1 Transfer of a Unit. Except as otherwise expressly provided in this Section 9, no Limited Partner may voluntarily withdraw from the Partnership and no Unit in the Partnership may be transferred without the consent of the General Partner. As used in this Section, "Transfer" means to transfer, sell, assign, pledge, hypothecate, or otherwise dispose of any Unit in the Partnership, including any transfer by death, Disability or involuntarily by operation of law.

9.2 Permitted Transfers. Notwithstanding any of the other requirements of this Section 9, except subject to the conditions and restrictions set forth in Sections 9.3 and 9.7 hereof, a Limited Partner may at any time Transfer all or any portion of its Units in the Partnership to (i) the other Limited Partners; (ii) any Affiliate of the transferor but only so long as the only party with authority to bind such Affiliate is the Limited Partner making such Transfer; (iii) to a trust for estate planning purposes, but only so long as the only party with authority to bind such trust is the Limited Partner making such Transfer; or (iv) its Personal Representative or heirs or beneficiaries upon the Disability or death of a Limited Partner (any such Transfer referred to in (i) through (iv) above shall be referred to in this Agreement as a "Permitted Transfer").

9.3 Conditions to Permitted Transfers. A Transfer shall not be treated as a Permitted Transfer under Section 9.2 hereof unless and until the following conditions are satisfied, provided that the General Partner may in its sole and absolute discretion waive any of the following conditions:

9.3.1 The transferor and transferee shall execute and deliver to the Partnership such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Partnership to effect such Transfer and to confirm the agreement of the transferee to be bound by the provisions of this Section 9. In any case not described in the preceding sentence, the Transfer shall be confirmed by presentation to the Partnership of legal evidence of such Transfer, in form and substance satisfactory to counsel to the Partnership. In all cases, the Partnership shall be reimbursed by the transferor and/or transferee for all costs and expenses that it reasonably incurs in connection with such Transfer.

9.3.2 The Units which are the subject of the Transfer are registered under the Securities Act of 1933, as amended, and any applicable state securities laws, or alternatively, the Partner or the proposed transferee of the Units obtains an opinion of counsel satisfactory to the Partnership's legal counsel to the effect that such Transfer is exempt from all applicable registration requirements or that such Transfer will not violate any applicable securities laws.

9.3.3 The Transfer does not cause the Partnership to become a "publicly traded partnership" within the meaning of Code Section 7704(b). The transferor may be required to furnish the Partnership an opinion of counsel, which counsel and opinion shall be satisfactory to the Partnership, that the Transfer will not cause the Partnership to become a "publicly traded partnership" within the meaning of Code Section 7704(b).

9.3.4 The Transfer does not result in 25% or more of the Units (as determined by the General Partner) being owned by Qualified Plans. The transferor may be required to furnish the Partnership an opinion of counsel, which counsel and opinion shall be satisfactory to the Partnership, that the Transfer will not cause 25% or more of the Units (as determined by the General Partner) being owned by Qualified Plans.

9.3.5 The Transfer does not cause the Partnership to terminate for federal income tax purposes. The transferor may be required to furnish the Partnership an opinion of counsel, which counsel and opinion shall be satisfactory to the Partnership, that the Transfer will not cause the Partnership to terminate for federal income tax purposes.

9.3.6 The transferor and transferee shall furnish the transferee's taxpayer identification number, sufficient information to determine the transferee's initial tax basis in the Units transferred, and any other information reasonably necessary to permit the Partnership to file all required federal and state tax returns and other legally required information statements or returns.

9.3.7 The General Partner shall have consented in writing to such Transfer.

9.4 Prohibited Transfers.

9.4.1 Void. Any purported Transfer of a Unit that is not a Permitted Transfer shall, to the fullest extent permitted by law, be null and void and of no effect whatsoever; provided that, if the Partnership is required by law to recognize a Transfer that is not a Permitted Transfer (or if the Partnership, in its sole discretion, elects to recognize a Transfer that is not a Permitted Transfer), the Unit transferred shall be strictly limited to the transferor's rights to allocations and distributions as provided by this Agreement with respect to the transferred Unit, which allocations and distributions may be applied (without limiting any other legal or equitable rights of the Partnership) to satisfy any debts, obligations, or liabilities for damages that the transferor or transferee of such Unit may have to the Partnership.

9.4.2 Indemnification. In the case of a Transfer or attempted Transfer of a Unit that is not a Permitted Transfer, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Partnership, the General Partner and the other Limited Partners from all cost, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and attorneys' fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

9.5 Rights of Unadmitted Assignees. A Person who acquires a Limited Partner Unit but who is not admitted as a Substitute Limited Partner pursuant to Section 9 hereof shall be entitled only to allocations and distributions with respect to such Limited Partner Unit in accordance with this Agreement, but shall have no right to any information or accounting of the affairs of the Partnership, shall not be entitled to inspect the books or records of the Partnership, shall not have the voting rights as a Limited Partner, and shall not have any of the rights of a Limited Partner under the Act or this Agreement.

9.6 Admission of Transferees as Substitute Limited Partners. Subject to the other provisions of this Section 9, a transferee of a Unit may be admitted to the Partnership as a Substitute Limited Partner only if each of the following conditions is satisfied:

9.6.1 The General Partner consents to such admission;

9.6.2 The Unit with respect to which the transferee is being admitted was acquired by means of a Permitted Transfer;

9.6.3 The transferee becomes a party to this Agreement and executes such documents and instruments as the Partnership may reasonably request to confirm such transferee as a Limited Partner and such transferee's agreement to be bound by the terms and conditions hereof;

9.6.4 The transferee pays or reimburses the Partnership for all reasonable legal, filing, and publication costs that the Partnership incurs in connection with the admission of the transferee as a Limited Partner with respect to the transferred Unit; and

9.6.5 The transferee executes a statement that it is acquiring such Unit for investment and not for resale.

9.7 Distributions and Allocations in Respect to Transferred Units. If any Unit of the Partnership (excluding Class A Limited Partner Units) is transferred during any accounting period in compliance with the provisions of this Section 9, all Profits, Losses, each item thereof, and all other items attributable to the transferred Unit for such period shall be divided and allocated between the transferor and the transferee in the manner set forth in Section 1.6 of the Tax Matters Schedule. All distributions on or before the date of such Transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee.

9.8 Units and Issuance of Additional Units.

9.8.1 The General Partner is hereby authorized to cause the Partnership to issue Limited Partner Units as the General Partner may determine in its sole discretion:

9.8.1.1 There shall be a class of Limited Partner Units that shall be designated as "Class A Limited Partner Units" that shall have the rights and be subject to the obligations set forth in this Agreement. The General Partner may issue the Class A Limited Partner Units to existing Partners, any Affiliates of the Partners, or any third parties at such times and in exchange for such Capital Contributions are determined by the General Partner. Notwithstanding anything to the contrary herein, solely for federal and state income tax purposes the Partnership intends to treat the Class A Limited Partner Units as debt. No Class A Limited Partner shall be treated as a "partner" for federal and state income tax purpose. As such, (i) any Class A Preferred Return paid to the Class A Limited Partners shall be treated as interest for federal and state income tax purposes, and shall be consistently reported as such by the Partnership and each Class A Limited Partner, and (ii) there shall be no allocations of Profits or Losses to the Class A Limited Partners under Section 4.2 or the Tax Matters Schedule hereof, and (iii) any and all references to "Partner," "Partners," "Unit" or "Limited Partner Unit" under this Agreement, where such context refers to a partner or partnership unit or interest for federal and state income tax purposes, shall exclude the

Class A Limited Partners and the Class A Limited Partner Unit, and this Agreement shall be interpreted consistently with the provisions of this Section 9.8.1.1.

9.8.1.2 There shall be a class of Limited Partner Units that shall be designated as "Class B Limited Partner Units" that shall have the rights and be subject to the obligations set forth in this Agreement. The General Partner may issue the Class B Limited Partner Units to existing Partners, any Affiliates of the Partners, or any third parties at such times and, subject to Section 9.8.4, in exchange for such Capital Contributions as determined by the General Partner.

9.8.1.3 There shall be a class of General Partner Units that shall have the rights and be subject to the obligations set forth in this Agreement. It is intended that the General Partner Capital Contribution shall, at all times, equal at least 1% of the Capital Contributions of all of the Class A Limited Partners. Within a reasonable time after the Partnership issues any additional Class A Limited Partner Units, the General Partner shall make a Capital Contribution to the Partnership so that the General Partner Capital Contribution equals at least 1% of the Capital Contributions of all of the Class A Limited Partners.

9.8.2 In addition, notwithstanding anything to the contrary contained in this Agreement, the General Partner is hereby authorized to cause the Partnership to issue Limited Partner Units and such other limited partnership units in the Partnership, and to create such additional classes or groups of limited partners, and to amend this Agreement in connection therewith, as the General Partner may determine in its sole discretion. Additional limited partnership units in the Partnership and additional classes or groups of limited partners may have such relative rights, power and duties as the General Partner may determine to be in the best interests of the Partnership in its sole discretion, including, without limitation, rights, powers and duties senior to the Limited Partner Units, the Limited Partners and any other existing classes or groups of partners, providing for priority returns on capital contributed, providing for ownership which is not proportionate to the Class A Percentage Interest of the existing Class A Limited Partners, and/or providing for such other rights, powers and duties as the General Partner may determine in its sole discretion.

9.8.3 With respect to the issuance of any additional Class A Limited Partner Unit, the initial Class A Percentage Interest of each additional Class A Limited Partner Unit issued by the Partnership shall be determined as provided in Section 1.1.21 on the first day of each month and will be a percentage reflected by a fraction, the numerator of which is that Class A Limited Partner's Unreturned Class A LP Capital Contribution and the denominator of which is the aggregate Unreturned Class A LP Capital Contributions of all Class A Limited Partners. As a result, the issuance of additional Class A Limited Partner Units may have the effect of proportionately decreasing each Class A Limited Partner's rights and interests in and to the Partnership, including, without limitation, each current Class A Limited Partner's share of distributions.

9.8.4 With respect to the issuance of any additional Class B Limited Partner Unit, the initial Class B Percentage Interest of each additional Class B Limited Partner Unit issued by the Partnership shall be determined as provided in Section 1.1.28 on the first day of each month and will be a percentage reflected by a fraction, the numerator of which is that Class B Limited Partner's Unreturned Class B LP Capital Contribution and the

denominator of which is the aggregate Unreturned Class B LP Capital Contributions of all Class B Limited Partners. As a result, the issuance of additional Class B Limited Partner Units may have the effect of proportionately decreasing each Class B Limited Partner's rights and interests in and to the Partnership, including, without limitation, each current Class B Limited Partner's share of distributions.

9.5 Notwithstanding anything herein to the contrary, the Unit Price of Units in the Partnership shall be set at the initial amount of One Dollar ($1.00 USD) ("Initial Unit Price") per Unit. The General Partner may adjust the Unit Price from time to time in its sole discretion; provided, however, that the Unit Price shall not fall below the Initial Unit Price unless the General Partner, in its sole and absolute discretion, determines that one or more investments of the Partnership, including without limitation the Partnership Property and Portfolio Property, may be impaired by a Unit Price equal to or greater than the Initial Unit Price, and such impairment presents a risk to the Partners' and other investors' principal and investment in the Partnership, Partnership Property, Portfolio Property, and other investments associated therewith.

SECTION 10
WITHDRAWAL OF LIMITED PARTNER

10.1 Covenant Not to Withdraw or Dissolve. Notwithstanding any provision of the Act, each Partner recognizes that the Partners have entered into this Agreement based on their mutual expectation that all Partners will continue as Partners and carry out the duties and obligations undertaken by them hereunder and that, except as otherwise expressly required or permitted hereby, each Limited Partner hereby covenants and agrees not to (i) take any action to dissolve or to file a certificate of dissolution or its equivalent with respect to itself, (ii) take any action that would cause a Bankruptcy of such Limited Partner, (iii) voluntarily withdraw or attempt to withdraw from the Partnership, (iv) to the fullest extent permitted by law, exercise any power under the Act to dissolve the Partnership, (v) to the fullest extent permitted by law, petition for judicial dissolution of the Partnership, or (vi) demand a return of such Limited Partner's contributions or profits without the unanimous consent of the Partners (collectively, (i)-(vi) above shall be referred to as "Withdrawal").

10.2 Consequences of Withdrawal. If a Partner attempts to take any action in breach of Section 10.1 hereof, such Partner (the "Breaching Partner") shall immediately cease to be a Partner, shall only have the rights of a Unit Holder in Section 10.5 below, and the Breaching Partner shall be liable in damages, without requirement of a prior accounting, to the Partnership for all costs and liabilities that the Partnership or any Partner may incur as a result of such breach. In addition:

10.2.1 The Partnership shall have no obligation to pay to the Breaching Partner its contributions, capital, or Profits, but may, by notice to the Breaching Partner within 30 days of its Withdrawal, elect to make Breach Payments (as defined below) in complete satisfaction of the Breaching Partner's Units in the Partnership;

10.2.2 If the Partnership does not elect to make Breach Payments, the Partnership shall treat the Breaching Partner as if it were an unadmitted assignee of the Units of the Breaching Partner and shall make distributions to the Breaching Partner only of those amounts otherwise payable with respect to such Units hereunder;

10.2.3 The Partnership may apply any distributions otherwise payable with respect to such Units (including Breach Payments) to satisfy any claims it may have against the Breaching Partner;

10.2.4 The Breaching Partner shall continue to be liable to the Partnership for any unpaid Capital Contributions required hereunder with respect to such Units; and

10.2.5 Notwithstanding anything to the contrary hereinabove provided, unless the Partnership has elected to make Breach Payments to the Breaching Partner in satisfaction of its Units, the Partnership may offer and sell (on any terms that are not manifestly unreasonable) the Units of the Breaching Partner to any other Partners or other Persons on the Breaching Partner's behalf, provided that any Person acquiring such Units becomes a Partner with respect to such Units and agrees to perform the duties and obligations imposed by this Agreement on the Breaching Partner.

10.3 Breach Payments. For purposes hereof, "Breach Payments" shall be made in five equal installments, without any interest thereon. Each payment shall be equal to one-fifth of the Breach Amount (as defined below) and shall be paid on the next five consecutive anniversaries of the breach by the Breaching Partner. The "Breach Amount" shall be an amount equal to the greater of $1 or one-half the Net Equity of the Breaching Partner's Units on the day of such breach. The "Net Equity" of a Partner's Units in the Partnership shall be the amount that would be distributed to such Partner in liquidation if the Partnership sold all of its assets for their net fair market value. Net Equity shall be determined, without audit or certification, from the books and records of the Partnership by the accountants regularly employed by the Partnership. The Net Equity determination of such accountants shall be final and binding in the absence of a showing of gross negligence or willful misconduct. The Partnership may, at its sole election, prepay all or any portion of the Breach Payments at any time without penalty.

10.4 No Bonding. Notwithstanding anything to the contrary in the Act, the Partnership shall not be obligated to secure the value of the Breaching Partner's Units by bond or otherwise; provided, however, that if a court of competent jurisdiction determines that, in order to continue the business of the Partnership such value must be so secured, the Partnership may provide such security. If the Partnership provides such security, the Breaching Partner shall not have any right to participate in Partnership profits or distributions during the term of the breach, or to receive any interest on the value of such Units.

10.5 Unit Holder Rights. Unit Holders shall not have any rights of a Partner, except the right to receive distributions and allocations of Profits and Losses occurring at the times and equal in amounts to those that relate to Partner's owning the class of Units the Unit Holder holds. For purposes of clarification and illustration only, such Person shall not have a right to vote or consent (to the extent previously granted under this Agreement), a right to inspect the books and records of the Partnership and all other rights afforded Partners (as opposed to Unit Holders) under this Agreement. References in this Agreement to Partners (of any class) shall include Unit Holders (of any class) except with respect to the rights enumerated in this Section that do not apply to Unit Holders.

SECTION 11
DISSOLUTION OF PARTNERSHIP

11.1 Liquidating Events. The Partnership shall dissolve and commence winding up upon the first to occur of any of the following (each a "Liquidating Event"):

11.1.1 The determination of the General Partner, in its sole and absolute discretion, to dissolve, wind up, and liquidate the Partnership;

11.1.2 The happening of any event that makes it unlawful or impossible to carry on the business of the Partnership;

11.1.3 The termination of the legal existence of the last remaining Limited Partner of the Partnership or the occurrence of any other event that causes the last remaining Limited Partner of the Partnership to cease to be a limited partner of the Partnership, unless the Partnership is continued without dissolution in a manner permitted by this Agreement or the Act;

11.1.4 An event of Withdrawal or the removal of a General Partner, unless at the time there is at least one other General Partner who shall carry on the business of the Partnership, or unless the Partnership is continued in a manner permitted by this Agreement or the Act; or

11.1.5 The entry of a decree of judicial dissolution under Section 17-802 of the Act.

Upon the occurrence of an event of Withdrawal or the removal of the General Partner (unless at the time there is at least one other General Partner, who shall carry on the business of the Partnership), to the fullest extent permitted by law, the Limited Partners are hereby authorized to, and shall, within 90 days after the occurrence of the event of Withdrawal or the removal of the General Partner, agree in writing (i) to continue the business of the Partnership and (ii) to appoint, effective as of the date of Withdrawal or removal, one or more additional General Partners pursuant to Section 5.3.

Upon the occurrence of any event that causes the last remaining Limited Partner of the Partnership to cease to be a Limited Partner of the Partnership, to the fullest extent permitted by law, the General Partner and the Personal Representative of such Limited Partner are hereby authorized to, and shall, within 90 days after the occurrence of the event that causes the last remaining Limited Partner to cease to be a Limited Partner of the Partnership, agree in writing (i) to continue the Partnership, and (ii) to the admission of the Personal Representative or its nominee or designee, as the case may be, as a Substitute Limited Partner of the Partnership, effective as of the occurrence of the event that caused the last remaining Limited Partner of the Partnership to cease to be a Limited Partner of the Partnership.

Notwithstanding any other provision of this Agreement, the Bankruptcy of a Limited Partner or General Partner shall not cause said Limited Partner or General Partner to cease to be, or to withdraw as a Limited Partner or General Partner of the Partnership, and upon the occurrence of such an event, the Partnership shall continue without dissolution.

Notwithstanding any other provision of this Agreement, each of the Limited Partners, and the General Partner waives any right it might have to agree in writing to dissolve the Partnership upon the Bankruptcy of a Limited Partner or General Partner or the occurrence of an event that causes such party to cease to be, or to withdraw as, a partner of the Partnership.

In the event of dissolution, the Partnership shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Partnership in an orderly manner), and the assets of the Partnership shall be applied in the manner, and in the order of priority, set forth in Section 17-804 of the Act.

11.2 Winding Up. Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors, the General Partner and the Limited Partners. No Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The General Partner shall be responsible for overseeing the winding up and liquidation of the Partnership and shall take full account of the Partnership's liabilities and the Partnership Properties shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom, to the extent sufficient therefor, shall be applied and distributed in the following order:

11.2.1 First, to the payment and discharge of all of the Partnership's debts and liabilities to creditors other than Limited Partners or the General Partner;

11.2.2 Second, to the payment and discharge of all of the Partnership's debts and liabilities to Limited Partners and/or the General Partner; then

11.2.3 The balance, if any, to the Partners in accordance with Section 4.1.2, above.

Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Regulations §1.704-1(b)(2)(ii)(*g*), if any Partner has a deficit balance in its Capital Account (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Partners shall have no obligation to make any contribution to the capital of the Partnership with respect to such deficit, and the negative balance of such party's Capital Account shall not be considered a debt owed by such Partner to the Partnership or to any other person for any purpose whatsoever.

11.3 Distributions Held in Trust Reserves. At the discretion of the General Partner, a pro rata share of the distributions that would otherwise be made to the Partners pursuant to this Section 11 may be:

11.3.1 Distributed to a trust established for the benefit of the Partners for the purposes of liquidating Partnership assets, collecting amounts owed to the Partnership, and paying any contingent, conditional or unmatured liabilities or obligations of the Partnership or of the Partners arising out of or in connection with the Partnership. The assets of any such trust shall be distributed to the Partners from time to time, in the reasonable discretion of the General Partner, in the same proportions as the amount distributed to such trust by the

Partnership would otherwise have been distributed to the Partners pursuant to this Agreement; or

11.3.2 Withheld to provide a reasonable reserve for Partnership liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Partnership, provided that such withheld amounts shall be distributed to the Partners as soon as practicable.

11.4 Certificate of Cancellation. The Partnership shall terminate when (i) all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership shall have been distributed to the Partners in the manner provided for in this Agreement, and (ii) the Certificate shall have been canceled in the manner required by the Act.

11.5 Return of Contribution Nonrecourse to Partners. Except as provided by law, upon dissolution, each Partner shall look solely to the assets of the Partnership for the return of its Capital Contributions. If the Partnership Properties remaining after the payment or discharge of the debts and liabilities of the Partnership is insufficient to return the Capital Contributions of one or more Partners, such party or parties shall have no recourse against any Limited Partner, the General Partner or any other party.

SECTION 12
REMEDIES

12.1 Default. In the event any Limited Partner (the "Defaulting Party") fails to timely perform any duty or obligation required under the terms of this Agreement, the Partnership shall have the right to pursue such legal remedies as are available under the Act and the laws of the State of Delaware in such manner and to such extent deemed to be in the best interest of the Partnership under the prevailing facts and circumstances, including, but not limited to, the institution of legal proceedings to specifically enforce the obligation of the Defaulting Party in accordance with this Agreement; provided, however, before pursuing such remedies the Defaulting Party shall be given written notice of the default and a period of 10 days after such notice is given in which to cure the default.

12.2 Suspension of Rights. Without limiting the rights of the Partnership, the General Partner, any Limited Partner under this Section 12, and without being deemed an election of remedies, subsequent to the default by the Defaulting Party and until such time as the default has been cured, the Defaulting Party shall have no right to receive any distribution from the Partnership nor to vote or otherwise participate in the management of Partnership affairs (as applicable) or any other rights as a Limited Partner under this Agreement or under the Act.

12.3 Security Interest. Without limiting the rights of the Partnership, the General Partner, any Limited Partner under this Section 12, and without the exercise of any rights under this Section 12.3 being deemed an election of remedies, each Limited Partner hereby grants a security interest in its Units to the Partnership to secure the performance of its obligations as a Limited Partner under this Agreement, including, without limitation, its obligation to make Capital Contributions pursuant to Section 3 hereof. This Section 12.3 is a Security Agreement for purposes of the UCC. Each Limited Partner hereby warrants, covenants and agrees with respect to its Units that:

12.3.1 Except for the security interests granted hereby, such party is the legal owner and holder of all rights, title and interest in its Limited Partner Units, free from any claim, security interest or encumbrance, and has the full power and lawful authority to sell and assign the same in accordance with the terms and provisions hereof. Such party agrees not to Transfer any right, title or interest in all or any part of such Limited Partner Units in violation of this Agreement;

12.3.2 Such party authorizes the Partnership to file a UCC Financing Statement covering the Limited Partner Units;

12.3.3 If an event of default by such party has occurred, then the Partnership shall be entitled to all the rights and remedies of a secured party under UCC, as enacted in the State of Delaware, including, without limitation, the right and power to sell, at public or private sale or sales, or otherwise dispose of, or utilize the Limited Partner Units in any manner authorized or permitted under the UCC after default by a debtor, and to apply the proceeds toward the payment of any amounts owed to the Partnership and any costs and expenses and attorneys' fees and other legal expenses thereby incurred by the Partnership. The Security Agreement described in this Section 12.3 shall not be construed as relieving such party from any personal liability on any loan, or for any deficiency thereon. All expenses (including, without limitation, attorneys' fees and other legal expenses) actually incurred or paid by the Partnership in connection with or incident to any action to protect or enforce the Security Agreement shall be borne by such party. No delay or omission on the part of the Partnership in exercising any right hereunder shall operate as a waiver of any such right or any other right. A waiver on any one or more occasions shall not be construed as a bar to or waiver of any right or remedy on any future occasion; and

12.3.4 The Partnership shall, at its option, be entitled to bring suit against such party for any default (plus interest thereon at a default rate of 20% per annum) without exhausting or pursuing any other remedies provided herein.

SECTION 13
MISCELLANEOUS

13.1 Addresses and Notices.

13.1.1 Any notice, demand, request, report, document, or proxy materials required or permitted to be given or made to a Partner under this Agreement shall be in writing and shall be deemed delivered and received by the intended recipient: (i) on the Business Day that such notice is sent by electronic mail or facsimile or hand delivered to the intended recipient, provided that such notice is also sent by United States Mail, by certified mail, return receipt requested and postage paid thereon; (ii) the third Business Day after the date placed in United States Mail, certified mail, return receipt requested and postage paid thereon; and (iii) the first Business Day after notice is sent by express mail or other overnight mail service.

13.1.2 All notices shall be delivered to the address of the name of such Person on the subscription agreement completed by such Person for its acquisition of the Units or to such other address as such Person may from time to time specify by written notice to the

Partnership. If a notice is sent to the Partnership, it shall be sent to the Partnership's principal place of business. The General Partner may rely and shall be protected in relying on any notice or other document from a Partner or other Person if believed by it to be genuine.

13.1.3 Any payment, distribution, or other matter to be given or made to a Partner hereunder shall be deemed conclusively to have been given or made, and the obligation to give such notice or report or to make such payment shall be deemed conclusively to have been fully satisfied, when delivered in person or upon sending of such payment, distribution, or other matter to the record holder of the Units as the address indicated on the records of the Partnership, regardless of any claim of any Person who may have an interest in such Units by reason of assignment or otherwise.

13.1.4 An affidavit or certificate of making of any notice, demand, request, report, document, proxy material, payment, distribution, or other matter in accordance with the provisions of this Section 13.1 executed by the General Partner or its agents or the mailing organization shall be prima facie evidence of the giving or making of such notice, demand, request report, document, proxy material, payment, distribution, or other matter. If any notice, demand, request, report, document, proxy material, payment, distribution, or other matter given or made in accordance with the provisions of this Section 13.1 is returned marked to indicate that it was unable to be delivered, such notice, demand, request, report, documents, proxy materials, payment, distribution, or other matter and, if returned by the United States Postal Service (or other physical mail delivery mail service outside the United States of America), any subsequent notices, demands, requests, reports, documents, proxy materials, payments, distributions, or other matters shall be deemed to have been duly given or made without further mailing (until such time as such record Partner or another Person notifies the Partnership of a change in his, her, or its address) or other delivery if they are available for the Partner at the principal office of the Partnership for a period of one year from the date of the giving or making of such notice, demand, request, report, document, proxy material, payment, distribution, or other matter to the other Partners.

13.2 Creditors. None of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Partnership.

13.3 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition. The due performance or observance by a party of any of its obligations under this Agreement may be waived only by a writing signed by the party against whom enforcement of such waiver is sought, and any such waiver shall be effective only to the extent specifically set forth in such writing.

13.4 Severability. Every provision of this Agreement is intended to be severable. If any portion of this Agreement is determined to be illegal or invalid for any reason, it is the intent of the parties that such determination shall not affect the validity or legality of the remainder of this Agreement.

13.5 Governing Law; Parties in Interest. This Agreement will be governed by and construed according to the laws of the State of Delaware, without regard to the principles of conflict

of laws, and will bind and inure to the benefit of the Limited Partners and the General Partner, and their respective heirs, executors, administrators, successors, legal representatives, permitted assigns and Personal Representatives. The Covered Persons and their heirs, executors, administrators and successors shall be entitled to receive the benefits of this Agreement.

13.6 Exclusive Jurisdiction. Each of the Limited Partners and the General Partner and each Person holding any Unit or beneficial interest in the Partnership (whether through a broker, dealer, bank, trust company, or clearing corporation or an agent of any of the foregoing or otherwise), to the fullest extent permitted by law, (i) irrevocably agrees that any claims, suits, actions, or proceedings arising out of our relating in any way to this Agreement (including any claims, suits, actions to interpret, apply, or enforce (A) the provisions of this Agreement, (B) the duties, obligations, or liabilities of the Partnership to the Limited Partners or the General Partner, or of Limited Partners or the General Partner of the Partnership, or among Partners, (C) the rights or powers of, or restrictions on, the Partnership, the Limited Partners or the General Partner, (D) any provision of the Delaware Limited Partnership Act, or (E) any other instrument, document, agreement or certificate contemplated by any provision of the Delaware Limited Partnership Act relating to the Partnership (regardless of whether such claims, suits, actions or proceedings (x) sound in contract, tort, fraud or otherwise, (y) are based on common law, statutory, equitable, legal or other grounds, or (z) are derivative or direct claims)), shall be exclusively brought in the Superior Court located in the City of Phoenix of the State of Arizona or, if such court does not have subject matter jurisdiction thereof, any other court in the State of Arizona with subject matter jurisdiction; (ii) irrevocably submits to the exclusive jurisdiction of such courts in connection with any such claim, suit, action or proceeding; (iii) irrevocably agrees not to, and waives any right to, assert in any such claim, suit, action or proceeding that (A) it is not personally subject to the jurisdiction of such courts or any other court to which proceedings in such courts may be appealed, (B) such claim, suit, action or proceeding is brought in an inconvenient forum, or (C) the venue of such claim, suit, action or proceeding is improper; (iv) expressly waives any requirement for the posting of a bond by a party bringing such claim, suit, action or proceeding; (v) consents to process being served in any such claim, suit, action or proceeding by mailing, certified mail, return receipt requested, a copy thereof to such party at the address in effect for notices hereunder, and agrees that such service shall constitute good and sufficient service of process and notice thereof; *provided*, that nothing in clause (v) hereof shall affect or limit any right to serve process in any other manner permitted by law; and (vi) irrevocably waives any and all right to trial by jury in any such claim, suit, action or proceeding.

13.7 Waiver of Lis Pendens and Partition. The Limited Partners recognize that no such party has any direct right in the Partnership Properties but only an interest in the Partnership which is deemed to be personal property. Nevertheless, because the Partnership may suffer irreparable financial injury if a lis pendens or an action for partition were filed with respect to the Partnership Properties in connection with a Partnership dispute, each Limited Partner hereby waives, to the fullest extent permitted by law, any such right to file a lis pendens against the Partnership Properties or an action for partition thereof.

13.8 Execution in Counterparts. This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

13.9 Incorporation by Reference. Every exhibit, schedule and other appendix attached to this Agreement is deemed incorporated herein by this reference.

13.10 Computation of Time. In computing any period of time pursuant to this Agreement, the day of the act, date of notice, event or default from which the designated period of time begins to run will not be included. The last day of the period so computed will be included, unless it is a Saturday, Sunday or legal holiday in the State of Arizona, in which event the period shall run until the end of the next day that is not a Saturday, Sunday or legal holiday.

13.11 Titles and Captions. All article, section or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context hereof.

13.12 Pronouns and Plurals. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or Persons may require.

13.13 Construction. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Partner.

13.14 Entire Agreement. Subject to any Side Letters entered into by the General Partner and any Limited Partner, this Agreement and the documents referenced herein contain the entire understanding amongst the Partnership, the General Partner and the Limited Partners, and supersedes any prior understandings and agreements amongst them representing the subject matter contained herein.

13.15 Limitation on Benefits of this Agreement. No Person or entity other than the Partners and the Partnership (or the Covered Persons) is or shall be entitled to bring any action to enforce any provision of this Agreement against any Partner or the Partnership. All covenants, undertakings, and agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the Partners (or their respective successors and assigns as permitted hereunder) and the Partnership.

13.16 Additional Actions and Documents. Each Partner shall take or cause to be taken such further actions and shall execute, acknowledge, deliver, and file such further documents and instruments, and use reasonable efforts to obtain such consents, and provide all information and take or refrain from taking action, as may be necessary or as may be reasonably requested to achieve the purposes of this Agreement.

13.17 Leveraging. No Partner or Unit Holder is permitted to leverage such Partner's or Unit Holder's Units for any purpose unless otherwise approved by the General Partner.

13.18 Spousal Consent. Any married individual who becomes a Partner or Unit Holder must have his or her non-Partner or non-Unit Holder spouse execute the Spousal Consent in the form attached hereto (as such may be amended from time to time, the "Spousal Consent"), and the execution of such Spousal Consent shall be a condition precedent to becoming a Partner or Unit Holder. If an individual becomes married after such individual is already a Partner or Unit Holder, then such individual shall cause his or her non-Partner or non-Unit Holder spouse to execute the Spousal Consent as soon as practicable after the individual becomes married.

13.19 Side Letters. Notwithstanding any provisions of this Agreement (including Section 13.14 hereof) to the contrary, it is hereby acknowledged and agreed that the Partnership,

and the General Partner on its own behalf or on behalf of the Partnership, may, without the approval of any other Partner, enter into a side letter or similar agreement (each, a "Side Letter") to or with a Limited Partner which has the effect of establishing rights under, or altering or supplementing the terms of, this Agreement or of any subscription agreements between such Limited Partner and the Partnership. The parties hereto agree that any terms contained in a Side Letter shall govern with respect to such Limited Partner notwithstanding the provisions of this Agreement or of any subscription agreement or Private Placement Memoranda. Except as required by law, the General Partner and the Partnership shall not be required to deliver the Side Letter or disclose the existence of any Side Letter or the terms and agreements contained therein to any Partner. Notwithstanding the above, a Side Letter may not modify, terminate, amend, or change the rights of the General Partner without the express written consent of the General Partner.

13.20 Amendment. The General Partner shall have the right to amend this Agreement as specifically set forth herein, including:

13.20.1 with respect to those items specifically set forth in Section 5.1 above, elsewhere in this Agreement or to effect a ministerial change which does not materially and adversely affect the rights of Limited Partners; and

13.20.2 in connection with the creation of such additional Units or other forms of interest in the Partnership to incorporate the rights and obligations relating to such additional Units or other forms of interest in the Partnership.

If the General Partner amends this Agreement per the terms of this Agreement without the necessity of the affirmative vote of a Majority in Interest, the General Partner may require any and all Limited Partners to execute an amended and restated Limited Partnership Agreement for the Partnership, which will replace and supersede this Agreement. Prior to requiring execution by the Limited Partners, the General Partner shall provide each Limited Partner with a written statement verifying and representing that the agreement is being amended per the terms of this Agreement and does not require the affirmative vote of a Majority in Interest. To the extent such requirement has been satisfied and any Limited Partner fails to timely execute such an amended and restated Limited Partnership Agreement for the Partnership, the General Partner shall have the power to execute such amended agreement on behalf of such Limited Partner, in such party's name and as its attorney-in-fact. Any other proposed amendment to this Agreement shall be adopted and effective as an amendment if it receives the affirmative vote of a Majority in Interest and the written consent of the General Partner.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the Persons comprising General Partner and the Limited Partners have executed this Agreement as of the date first set forth above.

GENERAL PARTNER:

CFIF III GP, LLC,
a Delaware limited liability company

DocuSigned by:
By: Chris Loeffler
406C0790F7DD488...
Name: John C. Loeffler II
Its: Authorized Signatory

CLASS B LIMITED PARTNERS:

CALIBER SERVICES, LLC
an Arizona limited liability company

DocuSigned by:
By: Chris Loeffler
406C0790F7DD488...
Name: John C. Loeffler II
Its: Authorized Signatory

CALIBER DIVERSIFIED OPPORTUNITY FUND II LP, a Delaware limited partnership

DocuSigned by:
By: Chris Loeffler
406C0790F7DD488...
Name: John C. Loeffler II
Its: Authorized Signatory

LIMITED PARTNERS' SIGNATURE PAGES

TO BE SEPARATELY ATTACHED HERE

TAX MATTERS SCHEDULE

1.1 Definitions. The capitalized words and phrases used in this Tax Matters Schedule shall have the following meanings:

1.1.1 "Adjusted Agreed Value" means, with respect to any Partnership Property, the Partnership Property's Initial Agreed Value with the adjustments required under this Agreement.

1.1.2 "Adjusted Capital Account Balance" means, with respect to any Tax Partner, the Tax Partner's Capital Account as of the end of the relevant Fiscal Year, after increasing the Capital Account by the amounts which the Tax Partner is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g) and (i)(5) (i.e., the Tax Partner's share of Minimum Gain and Partner Minimum Gain).

1.1.3 "Adjusted Capital Account Deficit" means, with respect to any Tax Partner, the deficit balance, if any, in the Tax Partner's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

1.1.3.1 The Capital Account shall be increased by the amounts which the Tax Partner is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g) and (i)(5) (i.e., the Tax Partner's share of Minimum Gain and Partner Minimum Gain); and

1.1.3.2 The Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with that Regulation.

1.1.4 "Capital Account" means, with respect to each Tax Partner, the capital account maintained in the Partnership's books and records in the following manner:

1.1.4.1 Each Tax Partner's Capital Account shall be credited by:

1.1.4.1.1 the amount of money contributed by the Tax Partner to the Partnership;

1.1.4.1.2 the fair market value of any property contributed by the Tax Partner to the Partnership (net of liabilities secured by such property that the Partnership is considered to assume or take subject to under Section 752 of the Code);

1.1.4.1.3 the amount of Profits or items of income and gain allocated to the Tax Partner pursuant to Subsections 1.2, 1.3 or 1.5, but not items of income and gain allocated to the Tax Partner pursuant to Subsection 1.4; and

1.1.4.1.4 the amount of Partnership liabilities that are assumed by the Tax Partner under Regulation Section 1.704-1(b)(2)(iv)(c).

1.1.4.2 Each Tax Partner's Capital Account shall be debited by

1.1.4.2.1 the amount of money distributed to the Tax Partner;

1.1.4.2.2 the fair market value of any property distributed to the Tax Partner (net of liabilities secured by such property that the Tax Partner is considered to assume or take subject to under Section 752 of the Code);

1.1.4.2.3 the amount of Losses and items of deduction and loss allocated to the Tax Partner pursuant to Subsections 1.2, 1.3 or 1.5, but not items of income and gain allocated to the Tax Partner pursuant to Subsection 1.4; and

1.1.4.2.4 the amount of the Tax Partner's liabilities that are assumed by the Partnership under Regulation Section 1.704-1(b)(2)(iv)(c).

1.1.4.3 If Partnership Property is distributed to an Tax Partner, the Capital Accounts of all Tax Partners shall be adjusted in the same manner as if the distributed Partnership Property were sold in a taxable transaction for an amount equal to the gross fair market value of such Partnership Property on the date of distribution (taking into account Section 7701(g) of the Code) and the Profit or Loss from such disposition were allocated among the Tax Partners pursuant to this Agreement.

1.1.4.4 If money or other property (other than a de minimis amount) is

1.1.4.4.1 contributed to the Partnership by a new or existing Tax Partner in exchange for Units, or

1.1.4.4.2 distributed by the Partnership to a retiring or continuing Tax Partner as consideration for Units in the Partnership, or

1.1.4.4.3 Units are granted to a new or existing Tax Partner in exchange for services rendered to the Partnership and the Unrecovered Capital Contributions of the Tax Partners are adjusted as provided in this Agreement at the time of such issuance, then, if the General Partner deems such an adjustment necessary to reflect the economic interests of the Tax Partners, the Agreed Value of the Partnership Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Tax Partners shall be adjusted in the same manner as if all the Partnership Property had been sold in a taxable transaction for such amount on such date and the Profits or Losses allocated to the Tax Partners pursuant to this Agreement.

1.1.4.5 To the extent that Regulation Section 1.704-1(b)(2)(iv)(m) requires an adjustment to the tax basis of any Partnership Property pursuant to Code Section 734(b) or Code Section 743(b) to be taken into account in determining Capital Accounts, the Agreed Value of the Partnership Property and the Capital Accounts of the Tax Partners shall be adjusted in the manner required under that Section of the Regulations.

1.1.4.6 The transferee of any Units transferred pursuant to this Agreement shall succeed to the Capital Account of the transferor that is attributable to the transferred Units. The parties intend that the Capital Accounts of all Tax Partners be maintained in accordance with Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts shall be interpreted in a manner consistent with that Section of the Regulations.

1.1.5 "Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

1.1.6 "Initial Agreed Value" means, with respect to Partnership Property contributed to the Partnership, the Partnership Property's fair market value upon contribution (as determined by mutual agreement of the contributing Tax Partner and the Partnership) and, with respect to all other Partnership Property, the Partnership Property's adjusted basis for federal income tax purposes at the time it is acquired.

1.1.7 "Nonrecourse Deductions" has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).

1.1.8 "Nonrecourse Liability" has the meaning set forth in Regulation Section 1.704-2(b)(3).

1.1.9 "Partner Nonrecourse Debt" has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations for "partner nonrecourse debt."

1.1.10 "Partner Nonrecourse Debt Minimum Gain" has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain."

1.1.11 "Partner Nonrecourse Deductions" has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse deductions."

1.1.12 "Partnership Minimum Gain" has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

1.1.13 "Profits and Losses" means, for each Fiscal Year or other period for which Profits and Losses must be computed, the Partnership's taxable income or loss determined in accordance with Code Section 703(a), adjusted as follows:

1.1.13.1 Taxable income or loss shall include all items of income, gain, loss, or deduction which Code Section 703(a)(1) requires to be stated separately;

1.1.13.2 Profits or Losses shall include any tax-exempt income of the Partnership not otherwise taken into account in computing Profits or Losses;

1.1.13.3 Profits or Losses shall include Partnership expenditures which are described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and which are not otherwise taken into account in computing Profits or Losses;

1.1.13.4 gain or loss resulting from any taxable disposition of Partnership Property shall be computed by reference to the Partnership Property's Adjusted Agreed Value, rather than by reference to the Partnership Property's adjusted basis for federal income tax purposes;

1.1.13.5 in computing Profits and Losses, if the Adjusted Agreed Value of Partnership Property differs from the Partnership Property's adjusted basis for federal income tax

purposes, then the amount of depreciation, depletion, or amortization for a period with respect to the Partnership Property shall be the amount that bears the same relationship to the Adjusted Agreed Value of such Partnership Property as the depreciation (or cost recovery deduction), depletion, or amortization computed for tax purposes with respect to such Partnership Property for such period bears to the adjusted tax basis of such Partnership Property or, if the Partnership Property has a zero basis for tax purposes, the amount determined under any reasonable method selected by the General Partner;

1.1.136 Profits and Losses shall not include any items which are specially allocated pursuant to Subsection 1.5 or 1.6 hereof.

1.1.14 "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated pursuant to the Code as such regulations may be amended or superseded from time to time.

1.2 General Allocations of Profits and Losses. After making any special allocations contained in Section 1.5, Profits and Losses for any Fiscal Year shall be allocated in a manner that causes the Adjusted Capital Account Balances of each Tax Partner to equal the amount that would be distributed to such Tax Partner pursuant to Section IV of this Agreement if all the Partnership's assets were sold for their respective Adjusted Agreed Values (with payments to any holder of a nonrecourse debt being limited to the Adjusted Agreed Value of the assets securing repayment of such debt), and the proceeds of such hypothetical sale (net of debt repayments) were applied and distributed in accordance with Section IV of this Agreement.

1.2.1 Special Loss Allocation. If the *Partnership* incurs Losses at any time when the Tax Partners' Adjusted Capital Account Balances have been reduced to or below zero, such Losses shall be allocated to the General Partner.

1.2.2 Special Profits Allocation. If the Partnership incurs Profits at any time when the Tax Partners' Adjusted Capital Account Balances are less than zero and the hypothetical liquidation described in this Section 1.2 would not result in any distributions to the Tax Partners, Profits shall be allocated to the Tax Partner in proportion to their negative Adjusted Capital Account Balances, until such negative balances have been eliminated.

1.3 Loss Limitations.

1.3.1 No Losses shall be allocated to any Tax Partner pursuant to Section 1.2 if the allocation would create or increase an Adjusted Capital Account Deficit for that Tax Partner. All Losses subject to the limitation set forth in this Subsection 1.3.1 shall be allocated among the remaining Tax Partners in the ratio of their Percentage Interest. If all Tax Partners are subject to the limitation of this Subsection 1.3.1, Losses shall be allocated among the Tax Partners in the ratio of their Percentage Interests or in such other ratio that is in accordance with the Tax Partners' Units and interest in the Partnership, as determined by the General Partner. Any other provision of this Agreement to the contrary notwithstanding, if any Losses are allocated pursuant to this Subsection 1.3.1, those Losses shall be recovered, on a pari passu basis, from the next available Profits of the Partnership.

1.4 Section 704(c) Allocations.

1.4.1 Contributed Partnership Property. In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Partnership shall be allocated among the Tax Partners, solely for tax purposes, so as to take into account any variation between the adjusted basis of the property to the Partnership for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution) using any method available to the Partnership under Regulation Section 1.704-3 as determined by the General Partner in its sole and absolute discretion.

1.4.2 Adjustments to Agreed Value. If the Adjusted Agreed Value of any Partnership Property is adjusted as provided in Subsection 1.1.3.4, subsequent allocations of income, gain, loss, and deduction with respect to the Partnership Property shall, solely for tax purposes, take account of any variation between the adjusted basis of the Partnership Property for federal income tax purposes and its Adjusted Agreed Value in the manner as provided under Code Section 704(c) and the Regulations thereunder using any method available to the Partnership under Regulation Section 1.704-3 as determined by the General Partner in its sole and absolute discretion.

1.5 Regulatory Allocations. The following allocations shall be made in the following order:

1.5.1 Partnership Minimum Gain Chargeback. Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if, during any Fiscal Year, there is a net decrease in Partnership Minimum Gain, each Tax Partner, prior to any other allocation pursuant to this Tax Matters Schedule, shall be specially allocated items of gross income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Tax Partner's share of the net decrease of Partnership Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Section 1.5.1 shall be made first from gain recognized from the disposition of Partnership Property subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to that Partnership Property, and thereafter, from a pro rata portion of the Partnership's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Section 1.5.1 shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

1.5.2 Partner Nonrecourse Debt Minimum Gain Chargeback. Except as set forth in Regulation Section 1.704-2(i)(4), if, during any Fiscal Year, there is a net decrease in Partner Nonrecourse Debt Minimum Gain, each Tax Partner with a share of that Partner Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year, shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Tax Partner's share of the net decrease in Partner Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Section 1.5.2 shall be made first from gain recognized from the disposition of Partnership Property subject to Partner Nonrecourse Debt to the extent of the Partner Minimum Gain attributable to that Partnership Property, and thereafter, from a pro rata portion of the Partnership's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant

to this Section 1.5.2 shall constitute a "partner nonrecourse debt minimum gain chargeback" under Regulation Section 1.704-2(i)(4).

1.5.3 Qualified Income Offset. If a Tax Partner unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), then, to the extent required under Regulations Section 1.704-1(b)(2)(d), such Tax Partner shall be allocated items of income and gain of the Partnership (consisting of a pro rata portion of each item of Partnership income, including gross income and gain for that Fiscal Year) before any other allocation is made of Partnership items for that Fiscal Year, in the amount and in proportions required to eliminate the Tax Partner's Adjusted Capital Account Deficit as quickly as possible. This Section 1.5.3 is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

1.5.4 Nonrecourse Deductions. Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Tax Partners in the ratio that they share Profits and Losses for that period, as reasonably determined by the Partnership's tax advisors under the direction of the General Partner.

1.5.5 Partner Nonrecourse Deductions. Any Partner Nonrecourse Deduction for any Fiscal Year or other period attributable to a Partner Nonrecourse Debt shall be allocated to the Tax Partner who bears the risk of loss for the Partner Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).

1.5.6 Regulatory Allocations. The allocations included in Section 1.5 are included to comply with the Regulations under Section 704(b) of the Code. In allocating other items of income, gain, loss and deduction, the allocations included in Section 1.5 shall be taken into account so that to the maximum extent possible the net amount of income, gain, loss and deduction allocated to each Tax Partner will be equal to the amount that would have been allocated to each Tax Partner if the allocations contained in Section 1.5 had not been made.

1.6 **Varying Interests; Allocations in Respect to Transferred Units**. Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations, using any conventions permitted by law and selected by the General Partner. If any Unit is sold, assigned, or transferred during any Fiscal Year in compliance with the provisions of this Agreement, Profits, Losses, each item thereof, and all other items attributable to such Unit for such Fiscal Year shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the Fiscal Year in accordance with Code Section 706(d), using any conventions permitted by law and selected by the General Partner.

1.7 **Partnership Representative**.

1.7.1 The General Partner shall designate the Partnership's "Partnership Representative", as defined under Code Section 6223. The General Partner initially designates Diversified II GP, LLC to serve as the Partnership Representative. The Partnership Representative (including any individuals required to be designated in connection with the designation of the Partnership Representative) may only be removed and replaced by the General Partner in its sole and absolute discretion. All material decisions made by, or action taken by, the Partnership's

Partnership Representative shall be made at the direction of the General Partner, in the General Partner's sole and absolute discretion.

1.7.2 Reserved.

1.7.3 The Partnership Representative shall represent the Partnership in any disputes, controversies or proceedings with the IRS or with any state, local, or non-U.S. taxing authority. The Partnership Representative shall, at the direction of the General Partner in the General Partner's sole and absolute discretion, have the power to take such actions on behalf of the Partnership in any and all proceedings with the IRS and any other such taxing authority as the General Partner determines to be appropriate and any decision made by the Partnership Representative at the direction of the General Partner shall be binding on all Partners. The Partners acknowledge and agree that, if directed by the General Partner, the Partnership Representative shall have the power to cause the Partnership to elect out of the partnership-level audit procedures to the extent allowed under Code Section 6221(b) or to elect out of partnership-level tax assessments under Code Section 6226, in each instance, as directed by the General Partner in the General Partner's sole and absolute discretion. Further, to the extent requested to do so by the Partnership Representative at the direction of the General Partner, the Partners shall timely file amended returns and pay tax liabilities (including interest and penalties) under Code Section 6225(c)(2), it being understood that no distributions shall be made to the Partners to pay such tax liability under Section 4.1.3.3, except as determined by the General Partner in its sole and absolute discretion. The Partners agree to cooperate in good faith, including, without limitation, by timely providing information requested by the Partnership Representative and making elections and filing amended returns requested by the Partnership Representative, to give effect to the preceding sentence. Subject to the foregoing, to the extent required to do so under the Subchapter C of Subtitle A, Chapter 63 of the Code, as amended by P.L. 114-74, the Bipartisan Budget Act of 2015 (together with any subsequent amendments thereto, Treasury Regulations promulgated thereunder, and published administrative interpretations thereof) (the "BBA Audit Procedure"), the Partnership shall make any payments of assessed amounts under Code Section 6221 of the BBA Audit Procedure and shall allocate any such assessment among the current or former Partners of the Partnership for the "reviewed year" to which the assessment relates in a manner that reflects the current or former Partners' respective Units and interests in the Partnership for that reviewed year based on such Partner's share of such assessment as would have occurred if the Partnership had amended the tax returns for such reviewed year and such Partner incurred the assessment directly (using the tax rates applicable to the Partnership pursuant to Code Section 6225(b)). To the extent that the Partnership is assessed amounts under Code Section 6221(a), the current or former Partner(s) to which this assessment relates shall pay to the Partnership such Partner's share of the assessed amounts including such Partner's share of any additional accrued penalties and interest assessed against the Partnership relating to such Partner's share of the assessment (together, the "Partner Assessment"), upon thirty (30) days of written notice from the Partnership Representative requesting the payment. If a Partner does not timely pay to the Partnership the full amount of the Partner Assessment (the "Defaulting Partner"), then the shortfall shall be treated as a loan (the "Tax Loan") by the Partnership to the Defaulting Partner, with the following results:

1.7.3.1 the unpaid balance of the Tax Loan bears interest at the rate of 7%, compounded quarterly, from the day that the advance is deemed made until the date that the Tax Loan, together with all accrued interest, is repaid to the Partnership;

1.7.3.2 all amounts otherwise distributable or payable by the Partnership to the Defaulting Partner shall be withheld until the loan and all accrued interest have been paid in full;

1.7.3.3 the payment of the Tax Loan and accrued interest is secured by a security interest in the Defaulting Partner's Units; and

1.7.4 in addition to the other rights and remedies granted to it under this Agreement, the Partnership has the right to take any action available at law or in equity, at the cost and expense of the Defaulting Partner, to obtain payment from the Defaulting Partner of the unpaid balance of the Tax Loan and all accrued and unpaid interest. On any default in the payment of any Partner Assessment, the Partnership is entitled to all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Delaware with respect to the security interest granted. Each Defaulting Partner hereby authorizes the Partnership, as applicable, to prepare and file financing statements and other instruments that the General Partner may deem necessary to effectuate and carry out the preceding provisions of this Section. Each Partner agrees that the aforesaid liquidated damages provisions constitute reasonable compensation to the Partnership and its non-defaulting Partners for the additional risks and damages sustained by each of them, when and if any Defaulting Partner shall default on an obligation to pay any Assessed Amount.

1.7.5 At the sole and absolute discretion of the General Partner, with respect to current Partners, the Partnership may alternatively allow some or all of a Partner's obligation pursuant to this Section 1.7 to be applied to, and reduce, the next distribution(s) or payments otherwise payable to such Partner under this Agreement. Notwithstanding anything to the contrary in this Agreement, the provisions contained in this Section 1.7 shall survive (w) the dissolution of the Partnership, (y) the Withdrawal or Redemption of any Partner, or (z) the Transfer of any Partner's Units.

1.7.6 Any Person designated as the Partnership Representative shall receive no compensation (other than compensation, if any, otherwise specified in this Agreement) from the Partnership or its Partners for its services in that capacity.

1.7.7 The General Partner may, with respect to the Partnership, make the election provided under Code Sections 754 and 1400Z of the Code and any corresponding provision of applicable state law in its sole and absolute discretion.

1.7.8 Each Partner covenants (i) to timely file all tax returns required to be filed by such Person pursuant to the laws of each applicable taxing jurisdiction, (ii) to timely provide any information requested by the General Partner, the Partnership Representative or the Partnership to comply with any tax law or in connection with the Partnership's obligation relating to any taxing jurisdiction, including, without limitation, to timely provide information requested by the Partnership Representative as needed to comply with the provisions of the BBA Audit Procedure, and (iii) with respect to each such filing, to report all Partnership items on such Person's income tax return in a manner consistent with the tax return of the Partnership. However, if a Partner reports a Partnership item on such Person's income tax return in a manner inconsistent with the tax return of the Partnership, then such Person shall notify the General Partner of such treatment before filing such Person's income tax return. If a Partner fails to comply with any provision of this Section 1.7.8, then such Person shall be liable to the Partnership for any expenses, including professionals'

fees, tax, interest, penalties, or litigation costs, that may arise as a consequence of such inconsistent reporting or breach, including those arising as a result of an audit by a taxing jurisdiction. The obligations of any Partner set forth in this Section 1.7.8 shall apply on a flow through basis and apply to the ultimate beneficial owners of Units.

1.8 **Miscellaneous**.

1.8.1 Returns and Other Elections. The General Partner shall cause the preparation and timely filing of all tax returns required pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Partnership does business. All elections permitted to be made by the Partnership under federal or state laws shall be made by the General Partner in his sole discretion.

1.8.2 Knowledge. Each Partner acknowledges that he understands the economic and income tax consequences of the allocations under this Agreement and agrees to be bound by the provisions of this Tax Matters Schedule in reporting the Partner's taxable income and loss from the Partnership, if any.

1.8.3 Amendment. The General Partner may amend this Tax Matters Schedule, as the General Partner deems necessary in the General Partner's sole discretion, to (i) comply with the Code and the Regulations promulgated under Code Section 704(b); (ii) comply with the provisions of the Bipartisan Budget Act of 2015 and any U.S. Treasury Regulations or other administrative pronouncements promulgated thereunder and administer the effects of such provisions in an equitable manner; and (iii) comply with a final determination of the IRS or state, local, or non-U.S. taxing authority, a court, or an agreement of the IRS or state, local, or non-U.S. taxing authority with the Partnership Representative, that a Class A Limited Partner Unit shall be treated as equity rather than debt for federal, state, local, or non-U.S. tax purposes, and each Partner agrees to be bound by the provisions of any such amendment.

1.8.4 FATCA. Each Limited Partner shall deliver to the Partnership such other tax forms or other documents as shall be prescribed by applicable law, to the extent applicable, (i) to demonstrate that payments to such Limited Partner under this Agreement are exempt from any United States withholding tax imposed pursuant to FATCA or (ii) to allow the Partnership to determine the amount to deduct or withhold under FATCA from a payment hereunder. Each Limited Partner further agrees to complete and to deliver to the Partnership from time to time, so long as it is eligible to do so, any successor or additional form required by the Internal Revenue Service or reasonably requested by the Partnership in order to secure an exemption from, or reduction in the rate of, United States withholding tax. "FATCA" shall mean Sections 1471 through 1474 of the Code and any applicable Treasury regulation promulgated thereunder or published administrative guidance implementing such Sections whether in existence on the date hereof or promulgated or published hereafter.

SPOUSAL CONSENT
TO
LIMITED PARTNERSHIP AGREEMENT

dated and effective as of _____, 20__

The undersigned is the spouse of a Partner and acknowledges that the undersigned has read the foregoing Amended and Restated Limited Partnership Agreement dated and effective as of February 1, 2019 (the "Agreement"), by and among the Partners and the General Partner of Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "Partnership") and understands its provisions. The undersigned hereby expressly approves of and agrees to be bound by the provisions of the Agreement in its entirety, including, but not limited to, those provisions relating to the sales and transfers of Units and the restrictions thereon. If the undersigned predeceases the undersigned's spouse when the undersigned's spouse owns any Units in the Company, the undersigned agrees not to devise or bequeath whatever community property interest or quasi-community property interest the undersigned may have in the Company in contravention of the Agreement.

Dated:_____ By: _____

Print name: _____

AMENDMENT TO
AGREEMENT OF AMENDED AND RESTATED LIMITED PARTNERSHIP
OF CALIBER FIXED INCOME FUND III LP

THIS AMENDMENT TO AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP (this "Amendment") is made and entered into as of May 11, 2020 (the "Effective Date") by Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "Company") and CFIF III GP, LLC, a Delaware limited liability company (the "General Partner"). Capitalized terms used and not otherwise defined in this Amendment shall have the meanings ascribed to such terms in the Amended and Restated Agreement of Limited Partnership of the Company dated as of February 1, 2019 (the "Agreement").

RECITALS

A. Pursuant to Section 13.20 of the Agreement, the General Partner may adopt an amendment to the Agreement with respect to effecting a ministerial change to the Agreement that does not materially and adversely affect the rights of the Limited Partners; and

B. This amendment is being entered into by the General Partner for the purpose of effecting a ministerial change to the Agreement that does not have a material and adverse effect on the Limited Partners.

AGREEMENT

NOW THEREFORE, the General Partner hereby amends the Agreement as follows:

1. Incorporation of Recitals. The Recitals set forth above constitute an integral part of this Amendment. Accordingly, such Recitals are incorporated by reference as if fully set forth in the body of this Amendment.

2. Amendment to Section 5.4.3.4. Section 5.4.3.4 of the Agreement is hereby deleted in its entirety and replaced with the following:

5.4.3.4 Intentionally Deleted.

3. Governing Law. The laws of the State of Delaware shall govern the validity, construction and interpretation of this Amendment.

4. Interpretation; Effective Date. Except as and to the extent expressly set forth herein, each provision of the Agreement is and remains in full force and effect, notwithstanding this Amendment.

5. Further Assurances. Each of the parties hereto shall execute and deliver, at the reasonable request of the Company or the General Partner, such additional documents, instruments, conveyances and assurances and take such further actions as such other party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Amendment.

6. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Amendment delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

[*Remainder of Page Intentionally Left Blank; Signature Page Follows*]

IN WITNESS WHEREOF, the following persons have executed this Amendment as of the date first set forth above.

GENERAL PARTNER:

CFIF III GP, LLC,
a Delaware limited liability company

DocuSigned by:
By: Chris Loeffler
406C0790F7DD488...
Name: John C. Loeffler II
Its: Authorized Signatory

COMPANY:

CALIBER FIXED INCOME FUND III, LP
a Delaware limited partnership

CFIF III GP, LLC,
Its: General Partner

DocuSigned by:
By: Chris Loeffler
406C0790F7DD488...
Name: John C. Loeffler II
Its: Authorized Signatory

APPENDIX B

Subscription Agreement

[attached]

The attached Subscription Agreement is for demonstrative purposes only. Investors purchasing Units in the Fund will subscribe online through Caliber's Master Broker-Dealer. While the form of the online subscription process will differ from that of competing a paper subscription agreement the function will be the same.

SUBSCRIPTION COMPLETION PACKAGE

CALIBER FIXED INCOME FUND III, LP ("THE COMPANY")

Caliber Fixed Income Fund III, LP
Attention: Subscription Administration
8901 East Mountain View Road, Suite 150
Scottsdale, Arizona 85258

Re: Purchase of Caliber Fixed Income Fund III, LP Units

Ladies and Gentlemen:

Caliber Fixed Income Fund III LP, is a Delaware limited partnership (the "*Fund*"), the general partner of which is CFIF III GP, LLC, a Delaware limited liability company (the "*General Partner*"). The Fund will be operated by the General Partner in accordance with the terms of that certain Amended and Restated Limited Partnership Agreement of the Fund (the "*Limited Partnership Agreement*"), a copy of which has been included as Exhibit "A" of that certain confidential Second Amended and Restated Private Placement Memorandum For Class A Limited Partner Units, Accredited Investors Only, dated as of April 30, 2020 (the "*Memorandum*"). Capitalized terms used herein and in the other Subscription Documents (as defined below) and not specifically defined, shall have the meanings set forth in the Memorandum.

The Fund has been formed for the purpose described in the Memorandum. It is offering Class A limited partnership units (the "*Class A Limited Partner Units*" or "*Units*") (at an individual minimum investment of $100,000.00) pursuant to and in accordance with the terms and conditions set forth in the Memorandum. Each Investor should carefully read the Limited Partnership Agreement to learn about the rights, preferences, and obligations of the Class A Limited Partners.

1. **Purchase**. The undersigned (the "*Investor*"), subject to the terms and conditions hereof and the provisions of the Memorandum and the Limited Partnership Agreement, hereby irrevocably tenders this subscription for the amount set forth on the signature page hereof. As of the date hereof and unless otherwise set forth herein, within the Memorandum, or by the General Partner in accordance with the provisions of the Limited Partnership Agreement, this Offering shall be for the subscription of Units at a price of One Dollar ($1.00) per Unit.

The undersigned understands and agrees that the Fund has the right to accept or reject this subscription, in whole or in part, and that this subscription will be deemed accepted only when

signed as accepted by the General Partner. The undersigned agrees that the Fund need not accept subscriptions in the order received. If the Fund learns, after it has accepted the undersigned's subscription, that the undersigned has misrepresented any information in any of the documents the undersigned submitted to it in connection with this subscription, then, in addition to any other rights available to the Fund, it will have the right to acquire the Units from the undersigned for a total price equal to the amount paid by the Investor for the Units less the amount of any partner distributions already received by the undersigned.

2. **Adoption of Limited Partnership Agreement**. The undersigned hereby specifically accepts and adopts each and every provision of the Limited Partnership Agreement, a copy of which has been provided to the undersigned. Upon acceptance of this Subscription Agreement in accordance with the terms and conditions set forth herein, the Investor shall hereby be deemed to have executed the Limited Partnership Agreement as a Limited Partner, pursuant to the power of attorney granted to the General Partner in Section 12 hereof.

3. **Conditions Precedent**. This Agreement is made and the release of the funds and Subscription Documents to the Fund are subject to the following terms and conditions:

(a) The General Partner shall have the right to accept or reject this subscription in whole or in part in its sole and absolute discretion, including but not limited to the General Partner's determination of the financial inability of the subscriber to bear the economic risk of this investment or the subscriber's inability to understand the risks and merits of the Offering and/or his inability to obtain the services of a Purchaser Representative (as hereinafter defined) in accordance with Regulation D promulgated under the Securities Act of 1933 (as amended, the "*Securities Act*") and applicable state securities laws.

(b) Prior to the delivery of the funds, this Subscription Agreement and the Subscription Documents, the General Partner shall have received subscriptions in accordance with the terms set forth in the Memorandum.

(c) The General Partner shall have received any and all documents the General Partner deems necessary to determine and verify the status of the subscriber as an "Accredited Investor" (as such term is defined in Rule 501 of Regulation D, as promulgated under Section 4(2) of the Securities Act).

4. **Representations and Warranties**. To induce the Fund to sell the Units to the undersigned, and knowing that the Fund is relying upon the truth and accuracy of the following in issuing the Units and establishing compliance with applicable foreign, federal, and state securities laws, the undersigned hereby represents, warrants, covenants, and acknowledges to the Fund each of the following representations and warranties understanding that, unless specifically stated otherwise, such representations and warranties apply to the undersigned whether it is a U.S. Person or non-U.S. Person. A "*U.S. Person*" is defined in Regulation S of the Securities Act.[1]

[1] A "U.S. person" as defined in Regulation S of the Securities Act, and used herein means: any natural person resident in the United States; any partnership or corporation organized or incorporated under the laws of the

If any of these warranties and representations are not true and accurate as of the date of the payment of funds by Investor, then Investor shall, on the date of the payment of funds by Investor, deliver to the Fund and the General Partner a written notice stating which representations and warranties are not true and accurate and also provide a detailed statement explaining why they are not true and accurate.

(a) If the undersigned is a U.S. Person, the undersigned is a bona fide resident of the state represented on the signature page hereof. If the undersigned is not a U.S. Person, the undersigned is a bona fide resident of the country provided on the signature page hereof. The undersigned has no present intention of becoming a resident of any other state, country, or jurisdiction. The address and Social Security Number (or if not a U.S. Person, equivalent federal number) or Employer Identification Number (or if a non-U.S. Person, equivalent federal number) set forth on the signature page hereof are the undersigned's true and correct residential or business address and Social Security Number (or if a non-U.S. Person, equivalent federal number) or Employer Identification Number (or if a non-U.S. Person, equivalent federal number).

(b) The undersigned has full power to execute, deliver and perform under each of the following: (i) this Subscription Agreement; (ii) the Accredited Investor Questionnaire; and (iii) the Limited Partnership Agreement, and to deliver them to the Fund simultaneously herewith. This Subscription Agreement and the other agreements are the legal and binding obligation of and are enforceable against the undersigned in accordance with their respective terms.

(c) Investor agrees to furnish such information as reasonably requested by the Fund to verify its Accredited Investor status, which may include one or more of those items set forth in the Securities and Exchange Commission Rule 506(c)(2)(ii), which includes financial information or a confirmation letter from a registered broker-dealer, CPA, or attorney familiar with Investor's Accredited Investor status.

(d) Investor is the sole and true party in interest and is not purchasing for the benefit of any other person. The Units are being purchased solely for Investor's own account, for investment, and are not being purchased with a view to the resale, distribution, subdivision or

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United States, its territories or possession, any state, or the District of Columbia; any estate of which any executor or administrator is a U.S. person; any trust of which any trustee is a U.S. person; any agency or branch of a foreign entity located in the United States; any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the account of a U.S. person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and a partnership or corporation if (i) organized or incorporated under the laws of any foreign jurisdiction, and (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates, or trusts.

fractionalization thereof. Investor has no plans to enter into any such contract, arrangement or agreement.

(e) The execution and delivery of this Subscription Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms hereof, will not result in the breach of any term or provision of, or constitute a default under, or conflict with, or cause the acceleration of any obligation under, any agreement or other instrument of any description to which the undersigned is a party or by which the undersigned is bound, or any judgment, decree, order, or award of any court, governmental body, or arbitrator, or any applicable law, rule, or regulation.

(f) The undersigned has been given access to full and complete information regarding the Fund and has utilized such access to the undersigned's satisfaction for the purpose of obtaining such information regarding the Fund as the undersigned has reasonably requested. In particular, the undersigned: (i) has received and thoroughly read and evaluated the Memorandum, including the exhibits, schedules and subsequent amendments or updates thereto; and (ii) has been given a reasonable opportunity to review such documents as the undersigned has requested and to ask questions of, and to receive answers from, representatives of the Fund concerning the terms and conditions of the Units and the business and affairs of the Fund and to obtain any additional information concerning the Fund's business to the extent reasonably available so as to understand more fully the nature of this investment and to verify the accuracy of the information supplied.

(g) The undersigned represents that he, she or it has consulted with a qualified attorney, tax advisor or accountant or has elected not to do so, and understands the income tax aspects of an investment in the Units. The undersigned, in determining to purchase the Units, and if the undersigned consulted the undersigned's legal counsel, tax advisor, accountants, and other advisors: (i) has been encouraged and has had the opportunity to rely upon the advice of the undersigned's legal counsel, tax advisor, accountants, and other advisors with respect to the purchase of the Units; and (ii) has relied solely upon the advice of the undersigned's legal counsel, tax advisor, accountants, or other financial advisors with respect to the financial, tax, and other considerations relating to the purchase of the Units. The undersigned acknowledges that neither the Fund nor anyone on behalf of the Fund has made any representations to the undersigned regarding the tax consequences of an investment in the Units.

(h) The undersigned understands and acknowledges that all documents are confidential and were prepared by the Fund and that no independent legal counsel, accountant, or Fund has passed upon or assumed any responsibility for the accuracy, completeness, or fairness of information provided to the undersigned and no independent legal counsel, accountant, or company has independently verified or investigated in any way the accuracy, completeness, or fairness of such information.

(i) The undersigned acknowledges that the Fund is relying on exemptions from the registration requirements of the Securities Act and as afforded by applicable state and foreign statutes and regulations.

(j) The undersigned understands that the Units have not been and will not be registered under the Securities Act or the securities laws of any state, country, or province and are subject to substantial restrictions on transfer and that (i) the Limited Partnership Agreement prohibits the transfer of Units except under very limited circumstances, (ii) the Fund has no obligation or intention to register the Units for resale or transfer under the Securities Act or any state, country, or foreign securities laws, or to take any action (including the filing of reports or the publication of information as required by Rule 144 under the Securities Act) which would make available any exemption from the registration requirements of any such laws, and (iii) the undersigned therefore may be precluded from selling or otherwise transferring or disposing of the Units for an indefinite period of time or at any particular time.

(k) Investor agrees to indemnify, hold harmless, and pay all judgments and claims against the Fund, the General Partner, and each member of the Fund from any liability or injury, including, but not limited to, that arising under Federal or state securities laws, incurred as a result of any misrepresentation herein, or any warranties not performed, by Investor.

(l) The undersigned (i) agrees that the undersigned will not sell or otherwise transfer or dispose of the Units, or any portion thereof, unless the transfer is made in accordance with the Limited Partnership Agreement and such Units are registered under the Securities Act and any applicable state or foreign securities laws or the undersigned obtains an opinion of counsel satisfactory to the Fund that such Units may be sold in reliance on an exemption from such registration requirements, and (ii) understands that any documentation evidencing the Units, if any, will contain a legend referencing such restrictions.

(m) The undersigned understands that no federal, state, or foreign agency, including the Securities and Exchange Commission and the securities commission or authorities of any other state or foreign government has approved or disapproved the Units, passed upon or endorsed the merits of the Offering, or made any finding or determination as to the fairness of the Units for investment.

(n) Neither the Fund nor any person representing or acting on behalf of the Fund, or purportedly representing or acting on behalf of the Fund, has made any representations, warranties, agreements, or statements other than those contained herein or in the Memorandum that influenced or affected the undersigned's decision to purchase the Units, nor has the undersigned relied on any representations, warranties, agreements, or statements in the belief that they were made on behalf of any of the forgoing, nor has the undersigned relied on the absence of any such representations, warranties, agreements, or statements in reaching the decision to purchase the Units.

(o) The undersigned acknowledges and agrees that (i) when the Fund accepts this subscription, any funds received by the Fund in accordance herewith will be deposited into a separate bank account of the Fund, and (ii) if the Fund rejects this subscription or if the Offering is terminated or withdrawn prior to acceptance of this subscription, any funds deposited by the undersigned will be refunded promptly without interest.

(p) Investor, if a corporation, partnership, trust or other entity, is authorized and duly empowered to purchase and hold the Units, has its principal place of business at the address set forth on the signature page hereof and has not been formed for the specific purpose of purchasing the Units.

(q) Investor acknowledges the Fund, its General Partner, employees, their agents, any broker or any other person expressly or by implication have not represented, guaranteed or warranted:

(i) that the past performance or experience on the part of the General Partner or any of its employees, associates, affiliates, agents or any other person (or entity), will in any fashion indicate actual profitability of the Fund or investment performance of this purchase;

(ii) the amount or type of consideration, profit or loss or tax consequences that will be generated by the Fund; and

(iii) other than what is stated in the Limited Partnership Agreement, a timeframe or date that Investor will receive any distributions or return of its Capital Contributions.

SPECIFICALLY FOR THE UNDERSIGNED WHO ARE "U.S. PERSONS":

(r) If the undersigned is a "U.S. Person," the undersigned: (i) if an individual, is at least 21 years of age; (ii) if an individual, is a citizen or resident of the United States; (iii) maintains the undersigned's principal residence or business at the address shown on the signature page hereof; and (iv) warrants that any financial information that is provided herewith by the undersigned, or is subsequently submitted by the undersigned at the request of the Fund, does or will accurately reflect the undersigned's financial condition with respect to which the undersigned does not anticipate any material adverse change.

(s) If the undersigned is a "U.S. Person" the undersigned certifies that he, she, or it: (i) is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D under the Securities Act; and (ii) has accurately completed and delivered to the Fund the Accredited Investor Questionnaire attached to the Memorandum in order to enable the Fund to verify the undersigned's status as an accredited investor under the Securities Act.

(t) If the undersigned is a U.S. Person and subject to the Employee Retirement Income Security Act ("*ERISA*"), the undersigned is aware of and has taken into consideration the diversification requirements of Section 404(a)(3) of ERISA in determining to purchase the Units and the undersigned has concluded that the purchase of the Units is prudent.

(u) If the undersigned is a U.S. Person, the undersigned is not subject to back-up withholding provisions of Section 3406(a)(1) of the Internal Revenue Code.

SPECIFICALLY FOR THE UNDERSIGNED WHO ARE "NON-U.S. PERSONS":

(v) If the undersigned is not a non-U.S. Person: (i) the undersigned is not purchasing the Units for the account or benefit of a U.S. person; (ii) the undersigned has not prearranged the sale and resale of the Units with any U.S. Person or buyer in the United States; (iii) as of the date of this Subscription Agreement, the undersigned has no present plan or intention to sell the Units in the United States at any predetermined time; (iv) the undersigned has not entered into, does not have the intention of entering into, and will not enter into any option, equity swap, or other similar derivative instrument in the United States with respect to the Units at any time until the end of a period of one year from the date of this Subscription Agreement; (v) the Units were not offered to the undersigned in the United States, and at the time of execution of this Subscription Agreement and at the time of any offer to the undersigned to purchase the Units hereunder, the undersigned was physically outside the United States; and (vi) the undersigned will resell the Units only in accordance with the terms of the Limited Partnership Agreement and Regulation S of the Securities Act, pursuant to an effective registration under the Securities Act, or pursuant to an available exemption from registration under the Securities Act.

(w) If the undersigned is a non-U.S. Person, the undersigned understands that the Units are being offered and sold in reliance on Regulation S of the Securities Act and any other available exemptions from the registration requirements of federal, state, and foreign securities laws and that the Fund is relying upon the truth and accuracy of the representations, warranties, acknowledgements, and understandings set forth herein in order to confirm that the undersigned is a non-U.S. Person.

(x) If the undersigned is a non-U.S. Person, the undersigned understands that non-U.S. Persons contemplating an investment in the Fund are urged to consult their own tax advisors and that the Fund will be required to withhold tax and deposit it with the Internal Revenue Service at the highest applicable U.S. marginal tax rate on any income allocated to an Investor who is a non-U.S. Person, even if no cash is distributed to that Investor.

5. Acceptance. Execution and delivery of this Subscription Agreement shall constitute Investor's irrevocable offer to purchase the Units in accordance with this Subscription Agreement and under the terms set forth on the signature page hereof (the "*Investor Subscription Commitment*") which offer may be accepted or rejected by the Fund in its discretion for any cause or for no cause. Upon furnishing any payment in accordance herewith, Investor's payment shall be deposited into a bank account in the name of the Fund. The Fund and/or its General Partner on the Fund's behalf shall confirm acceptance in writing.

6. Binding Agreement. Investor agrees that Investor may not cancel, terminate or revoke this Subscription Agreement (except as permitted under state securities laws) or any agreement Investor makes hereunder, and that this Subscription Agreement shall survive upon the death or disability of Investor and shall be binding upon and inure to the benefit of the heirs, successors, assigns, executors, administrators, guardians, conservators, or personal representatives of Investor. Investor agrees that the Fund will have no obligation to recognize the ownership, beneficial or otherwise, of Investor's interest by anyone other than the undersigned.

7. Right to Refuse to Accept Commitment Installment Payments. The Fund, in its sole discretion, may refuse or postpone acceptance of one or more of Investor's commitment installment payments, subject to market conditions and keeping consistent with the Fund's business plan and performance objectives. If the Fund takes such action, Investor shall have no recourse against the Fund or its General Partner, officers, agents, employees, or affiliates.

8. Incorporation By Reference. The Investor Subscription Commitment and related information set forth on the signature page hereof are incorporated as integral terms of this Subscription Agreement.

9. Notices. Notices and other communications under this Agreement shall be in writing and shall be deemed delivered when received or, if by U.S. mail, when deposited in a regularly maintained receptacle, by Certified First Class Mail, postage prepaid, addressed:

(a) if to Investor, at the address shown on the signature page hereof unless the Investor has advised the Fund, in writing, of a different address as to which notices shall be sent under this Agreement; and

(b) if to the Fund, at the address first above stated, to the attention of the General Partner or to such other address or to the attention of other such officer, as the Fund shall have furnished to Investor.

10. Counsel. Investor has had the opportunity to consider the Memorandum, the Limited Partnership Agreement, and this Subscription Agreement with Investor's advisors or legal counsel and has either obtained the advice of such advisors in connection with Investor's execution hereof or does hereby expressly waive its right to seek such legal counsel in connection with this transaction.

11. Sale of the Units in a Permitted Offshore Transaction. If any subsequent resale of the Units is permitted in an offshore transaction pursuant to the Limited Partnership Agreement and Regulation S of the Securities Act, the undersigned agrees to cause the parties to such transaction to execute a Certificate of Compliance in the form required by the Fund and agree to be bound by the terms of the Limited Partnership Agreement.

12. Power of Attorney. The Investor hereby irrevocably constitutes and appoints the General Partner (and any substitute or successor general partner(s) of the Fund) the Investor's true and lawful attorney in the Investor's name, place and stead, (a) to receive and pay over to the Fund on the Investor's behalf, to the extent set forth in this Subscription Agreement, all funds received hereunder, (b) to complete or correct, on the Investor's behalf, all documents to be executed by the Investor in connection with the Investor's subscription for the Units, including, without limitation, filling in or amending amounts, dates and other pertinent information, and (c) to execute, acknowledge, swear to, deliver and file: (i) any counterparts of the Limited Partnership Agreement to be entered into pursuant to this Subscription Agreement and any amendments to which the Investor is a signatory; (ii) any amendments to any such amendments (as provided in the Limited Partnership Agreement); (iii) any agreements or other documents relating to the obligations of the Fund, as limited and defined in the Limited Partnership Agreement; (iv) any

certificates of limited partnership required by law and all amendments thereto; (v) all certificates and other instruments necessary to qualify, or continue the qualification of, the Fund in the jurisdictions where it may be doing business and to preserve the limited liability status of the Fund in the jurisdictions in which the Fund may acquire investments; (vi) any certificates or other instruments which may be required to effectuate any change in the ownership interest of the Fund; (vii) all assignments, conveyances or other instruments or documents necessary to effect the dissolution and/or winding-up of the Fund; and (viii) all other filings with agencies of the U.S. federal government, of any state or local government or of any other jurisdiction, which the General Partner considers necessary or desirable to carry out the purposes of this Subscription Agreement, the Limited Partnership Agreement and the business of the Fund. This power of attorney shall be deemed coupled with an interest, shall be irrevocable and shall survive the transfer of the Investor's Units.

13. Miscellaneous. This Subscription Agreement, the Limited Partnership Agreement, and the documents and agreements referenced therein embody the entire agreement and understanding between the Fund and the Investor and supersedes all prior agreements and understandings relating to the subject matter hereof.

(a) This Subscription Agreement does not entitle the undersigned to any rights as a holder of Units or as a limited partner of the Fund until payment for such Units has been received and accepted by the Fund. This Subscription Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Arizona. The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. This Subscription Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

(b) The undersigned acknowledges and agrees that any action or proceeding of any kind against the undersigned arising out of or by reason of this Subscription Agreement or the obligations hereunder may be brought in any federal or state court of competent jurisdiction located in the State of Arizona, and hereby irrevocably consents to the jurisdiction of any such court.

(c) If any provision of this Subscription Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision will be deemed inoperative to the extent that it may conflict therewith and will be deemed modified to conform with such statute or rule of law, but such provision will not affect the validity or enforceability of any other provision hereof.

(d) This Subscription Agreement may be executed through the use of separate signature pages or in any number of counterparts, and each of such counterparts will, for all purposes, constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.

14. Subscription Payments. All subscription payments should be made payable to "Caliber Fixed Income Fund III LP." The Fund will deposit subscription payments immediately

on acceptance in a Fund account. Such deposit shall not itself constitute acceptance of any subscription by the Fund. Persons making subscriptions that are accepted will, upon payment receive notice that such subscription was accepted. Other subscriptions that are not accepted will be returned.

15. **Title. Investor desires to take title to the Units as follows and indicated by Investor's selecting a category and then initialing alongside the selection check**:

☐ **individually, as a single person *Initials* _____**

☐ **husband and wife, as community property *Initials* _____ *Initials* _____**

☐ **husband and wife, as community property with rights of survivorship *Initials* _____ *Initials* _____**

☐ **joint tenants with rights of survivorship *Initials* _____ *Initials* _____**

☐ **tenants in common *Initials* _____ *Initials* _____**

☐ **a married person, as my sole and separate property *Initials* _____**

☐ **as custodian of _____under the Uniform Gift to Minors Act *Initials*_____**

☐ **as trustee, of a trust with the exact legal name of _____ _____ *Initials* _____**

☐ **other, such as a corporation, limited liability company, partnership, employee benefit plan, individual retirement account, Keogh plan, or other entity, with the exact legal name of _____ *Initials* _____**

☐ **U.S. Person. Investor is a "U.S. Person[1]", indicated by Investor's single check mark and initials alongside the selection checked:**

☐ **Yes *Initials* _____ *Initials* _____**

☐ **No *Initials*_____ *Initials* _____**

IN WITNESS WHEREOF, Investor has executed this Subscription Agreement on the date set forth on the signature page. When accepted, the Fund will execute this Subscription Agreement on the date set forth on the signature page.

(Signature pages for individuals and entities attached.)

[1] A "U.S. person" as defined in Regulation S of the Securities Act of 1933, as amended (the "Securities Act"), and used herein means: any natural person resident in the United States; any partnership or corporation organized or incorporated under the laws of the United States, its territories or possession, any state, or the District of Columbia; any estate of which any executor or administrator is a U.S. person; any trust of which any trustee is a U.S. person; any agency or branch of a foreign entity located in the United States; any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the account of a U.S. person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and a partnership or corporation if (i) organized or incorporated under the laws of any foreign jurisdiction, and (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates, or trusts.

CALIBER FIXED INCOME FUND III, LP

SUBSCRIPTION AGREEMENT SIGNATURE PAGE FOR

INDIVIDUAL INVESTORS – JOINT TENANTS - TENANTS IN COMMON

Class A Units Subscription Commitment $ _____ ($100,000 Minimum)

Investor #1

_____
Last Name First Name

_____
Social Security Number (USA) or equivalent federal number number

Legal Residence Address

_____
Street Address (Cannot be a P.O. Box)

_____
City

_____
State Zip

_____
Home Phone

_____
Work Phone

_____
Email Address

_____
Signature

_____
Date Signed

Investor #2

_____
Last Name First Name

_____
Social Security Number (USA) or equivalent federal

Legal Residence Address

_____
Street Address (Cannot be a P.O. Box)

_____
City

_____
State Zip

_____
Home Phone

_____
Work Phone

_____
Email Address

_____
Signature

_____
Date Signed

Accepted by Company:
CALIBER FIXED INCOME FUND III, LP
By: CFIF III GP, LLC, its General Partner

By: _____
Authorized Representative

_____
Date Signed

CALIBER FIXED INCOME FUND III, LP

SUBSCRIPTION AGREEMENT SIGNATURE PAGE FOR

TRUST INVESTORS

Class A Units Subscription Commitment $ _____ ($100,000 Minimum)

_____

Full Name of Trust including Date (Please print or type)

_____

Name of Trustee (Please print or type)

_____ _____

Date Trust Was Formed

Tax Identification Number (USA) or Equivalent federal number (EIN or TIN)

Trustee Information:

_____

Trustee Street Address (Cannot be a P.O. Box)

_____

City

_____

State Zip

_____

Phone Number

_____ _____

Email Address

Correspondence to the Attention of

_____ _____

Trustee Signature

Date Signed

Accepted by Company:

CALIBER FIXED INCOME FUND III, LP

By: CFIF III GP, LLC, its General Partner

By: _____ _____

Authorized Representative

Date Signed

CALIBER FIXED INCOME FUND III, LP

SUBSCRIPTION AGREEMENT SIGNATURE PAGE FOR

PARTNERSHIPS AND LLC INVESTORS

Class A Units Subscription Commitment $ _____ ($100,000 Minimum)

_____

Full Name of Partnership/LLC (Please print or type)

_____ _____

Date Trust Was Formed

Tax Identification Number (USA) or Equivalent federal number (EIN or TIN)

Partnership/LLC Information:

_____ _____

Business Street Address (Cannot be a P.O. Box)

Mailing Address (if different)

_____ _____

City

City State Zip

_____ _____

State Zip

Phone Number

_____ _____

Email Address

Correspondence to the Attention of

_____ _____

Signature of General Partner/Manager/Authorized Member

Date Signed

_____

PRINT NAME - General Partner/Manager/Authorized Member Signature

_____ _____

Signature of Additional GP/Manager/Authorized Member Signature[2]

Date Signed

_____

PRINT NAME – of Additional Required Signor (GP/Manager/Authorized Member)

Accepted by Company:

CALIBER FIXED INCOME FUND III, LP

By: CFIF III GP, LLC, its General Partner

By: _____ _____

Authorized Representative

Date Signed

[2] If required by Partnership Agreement or Operating Agreement

CALIBER FIXED INCOME FUND III, LP

SUBSCRIPTION AGREEMENT SIGNATURE PAGE FOR

CORPORATE INVESTORS

Class A Units Subscription Commitment $ _____ ($100,000 Minimum)

_____

Full Name of Corporation (Please print or type)

_____

Tax Identification Number (USA) or Equivalent federal number (EIN or TIN)

Corporate Information:

_____ _____

Street Address of Principal Corporate Office | Mailing Address (if different)

_____ _____

City | City

_____ _____

State Zip | State Zip

_____

Phone Number

_____ _____

Email Address | Correspondence to the Attention of

By: _____ _____

Signature of Authorized Agent | Date Signed

_____ _____

PRINT NAME of Authorized Agent | Title

Accepted by Company:

CALIBER FIXED INCOME FUND III, LP

By: CFIF III GP, LLC, its General Partner

By: _____ _____

Authorized Representative | Date Signed

CALIBER FIXED INCOME FUND III, LP

SUBSCRIPTION AGREEMENT SIGNATURE PAGE FOR

EMPLOYEE BENEFIT PLANS – IRA – KEOGH - OR OTHER ENTITY

Class A Units Subscription Commitment $ _____ ($100,000 Minimum)

_____

Full Name of Entity/Plan/Registration (Please print or type)

_____

Tax Identification Number (USA) or Equivalent federal number (EIN or TIN)

Plan Information:

_____ _____

Street Address (Cannot be a P.O. Box) Mailing Address (if different)

_____ _____

City City

_____ _____

State Zip State Zip

_____

Phone Number

_____ _____

Email Address Correspondence to the Attention of

By: _____ _____

Signature of Authorized Agent Date Signed

_____ _____

PRINT NAME of Authorized Agent Title

Accepted by Company:

CALIBER FIXED INCOME FUND III, LP

By: CFIF III GP, LLC, its General Partner

By: _____ _____

Authorized Representative Date Signed

ACCREDITED INVESTOR QUESTIONNAIRE

The undersigned certifies that he, she, or it is an "accredited investor" as defined in Rule 501(a) under the Securities Act of 1933, as amended (the "Securities Act"), because he, she, or it meets at least one of the following definitions of "accredited investor" **(*check each one that applies; you must check at least one*)**:

☐ A natural person whose individual net worth, or joint net worth with his or her spouse, at the time of purchase exceeds $1,000,000 (excluding the value of investor's principal residence); or

☐ A natural person who had an individual income in excess $200,000 or whose joint income with that person's spouse exceeded $300,000 in each of the two most recent years, and who has a reasonable expectation of reaching the same income level in the current year; or

☐ A trust with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person described in Rule 506(b)(2)(ii) of Regulation D under the Securities Act; or

☐ A director, executive officer, or manager of the Company; or

☐ An entity in which all of the equity owners are accredited investors; or

☐ A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other

☐ institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; or

☐ A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; or

☐ An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of such act; or

☐ A Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; or

☐ A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; or

☐ An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, (a) if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, that is either a bank, savings and loan institution, insurance company, or registered investment advisor, or (b) if the employee benefit plan has total assets in excess of $5,000,000 or (c) if a self-directed plan, with investment decisions made solely by persons that are accredited investors; or

☐ An insurance company as defined in Section 2(13) of the Securities Act; or

☐ A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940; or

☐ An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Units, with assets in excess of $5,000,000.

Accredited Investor Questionnaire Signature Section

_____

Full Name of Investor/Registration Name

Signature Section for Individual/Joint/Trusts:

_____ _____

Signature Date Signed

Signature Section for
Partnership, LLC, Corporations, Benefit Plans, IRA, KEOGH and Other Entity:

By: _____ _____

Authorized Agent Name, if necessary Date Signed

Title: _____

Agent Title (if necessary)

CALIBER FIXED INCOME FUND III LP

ACH ELECTRONIC PAYMENT AUTHORIZATION

If you desire to have distributions made by direct deposit to your bank account, please fill in the following information. Please note that this option is not currently available for qualified or custodial accounts.

Please select the appropriate box below, "yes" if you wish to register for direct deposit (ACH/electronic payment), or "no" if you prefer to receive distributions via live check.

☐ Yes ☐ No

Financial Institution Name:		
ABA/Routing Number		
Account Number:		
Name(s) on Account:		
Type of Account:	☐ Personal Checking ☐ Business Checking	☐ Personal Savings ☐ Business Savings

I, the undersigned Investor, hereby authorize Caliber Fixed Income Fund III LP (the "Company"), the General Partner or its agent to deposit my distributions to the checking or savings account identified above. This authorization shall remain in effect until I provide written notice to the Company to terminate the authorization. In the event that the Company deposits funds erroneously into my account, the Company is hereby authorized to debit my account for an amount not to exceed the amount of the erroneous deposit.

_____

Full Name of Investor/Registration Name

Signature Section for Individual/Joint/Trusts:

_____ _____

Signature Date Signed

Signature Section for
Partnership, LLC, Corporations, Benefit Plans, IRA, KEOGH and Other Entity:

By: _____ _____

Authorized Agent Name, if necessary Date Signed

Title: _____Agent Title (if necessary)

BROKER DEALER INVESTOR QUESTIONNAIRE

Tobin & Company Securities LLC is the managing broker-dealer for this securities transaction. If we have made a recommendation to you regarding this investment, we are required by regulatory authorities to have a reasonable basis to believe that this security is suitable for you, based on your investment profile – as provided by you, through completion of this Investor Questionnaire and the Subscription Completion Documents. Pursuant to our Privacy Policy, this information will be kept confidential, subject to certain allowable exceptions and provided that this information will be shared with the Company and/or its Manager. Please contact us to obtain a copy of our Privacy Policy. Regardless of whether or not we have made a recommendation to you regarding this investment, Tobin & Company Securities is required to verify your identity pursuant to Section 326 of the USA PATRIOT Act.

IMPORTANT INFORMATION ABOUT PRIVATE PLACEMENT PURCHASE PROCEDURES - To help the government fight the funding of terrorism and money laundering activities and to adhere to requirements of Section 326 of the USA PATRIOT Act, federal law requires all financial organizations to obtain, verify, and record information that identifies each person who completes this Investor Questionnaire. What this means for you: When you complete this form and accompanying subscription documents, we will ask for your name, address, date of birth, and other information that will allow us to identify you. The information you provide will be used to verify your identity by using internal sources and third-party vendors.

INVESTOR BACKGROUND INFORMATION

Legal address of investor *(CANNOT BE P.O. BOX):*

Investor #1

Last Name First Name

Date of Birth

Social Security Number (USA) or equivalent federal number

Legal Residence Address:

Street Address

City

State Zip

Home Phone

Investor #2

Last Name First Name

Date of Birth

Social Security Number (USA) or equivalent federal number

Legal Residence Address:

Street Address

City

State Zip

Home Phone

EMPLOYMENT INFORMATION **

Are you currently: ☐ Employed ☐ Self-Employed ☐ Not Employed ☐ Retired ☐ Other: _____

Job Title

Occupation

Employer

Years with this Employer

If you are not currently employed or if you are retired, please provide source of annual income:

Initial(s)	***** Decline to Provide** – *I certify that the above information is correct and if any requested information in the above Section is incomplete or not provided by me, I hereby certify that I am declining to provide it.*

INVESTOR ATTESTATIONS

Please review the following and signify your understanding of the statements by initialing, where indicated.

Investor/Purchaser Representations:

- I am able to bear the economic risk of this investment; this investment could be restricted as to assignability and there may be no public market.
- I recognize that this investment carries certain risk, including but not limited to lack of liquidity for an extended period; this is considered a speculative venture.
- I have received the Confidential Private Placement Memorandum, the Supplement(s) (if any) and related offering documents and I have had the opportunity to ask questions and have received answers to my questions, to my satisfaction.

By initialing above, I acknowledge and understand the Investor/Purchaser Representations

Senior Investors. *Regulators have heightened their scrutiny of suitability issues as relates to senior investors. The term "senior investor" includes investors who have retired or are nearing retirement and is not necessarily a reference to a specific age.* ***Regardless of your retirement plans, if you are over the age of 60, we ask that you*** *review the following and signify your understanding of the statements by initialing, where indicated.*

Senior Investor Representations:

- I am purchasing this investment for my own account and I acknowledge that this investment is not liquid and is highly speculative. I may not be able to sell this investment and, if I am able to sell my investment, I may receive less than my purchase price. I have considered the implications of this investment, should this become part of my estate at my death.

- Regardless of whether I am currently employed or retired, I have adequate sources of income from investments (excluding this investment), pensions, savings, and salary to take care of all of my medical, health-related and living expenses for an extended period, including in the event of disability or emergency.

By initialing above, I acknowledge and understand the Senior Investor Representations

INVESTMENT OBJECTIVES

Check the appropriate box for each inquiry below, *with regard to this investment*:

Investment Objective:	☐ Capital Preservation	☐ Income	☐ Growth	☐ Aggressive Growth
Risk Tolerance:	☐ Low	☐ Moderate	☐ High	
Investment Time Horizon:	☐ 0 to 2 Years	☐ 2 to 5 Years	☐ 5 or more Years	
Liquidity Needs:	☐ High	☐ Medium	☐ Low	

FINANCIAL INFORMATION AND INVESTMENT EXPERIENCE **

In the event of disability or emergency, do you have enough insurance and readily-available funds (excluding this investment) to take care of all of your medical, health-related and living expenses for a period of one year or more?

☐ Yes ☐ No

All figures should be expressed in U.S. Dollars. Check the appropriate box for each inquiry below. If you qualified as an accredited investor based on joint income with a spouse, please provide combined financial information.

ANNUAL INCOME (from all sources)	**NET WORTH**** (VALUE OF ALL ASSETS, EXCLUDING VALUE OF YOUR PRIMARY RESIDENCE)	**FEDERAL TAX BRACKET** (highest marginal)
☐ Below $200,000	☐ Below $1,000,000	☐ 0-25%
☐ $200,000 - $399,000	☐ $1 million to $4.9 million	☐ More than 25%
☐ $400,000 – $1,000,000	☐ $5 million to 9.9 million	
☐ Over $1,000,000	☐ Over $10,000,000	
	☐	

How many years of experience do you have in investing in the following types of investments?

	Years of Experience	Estimated total amount invested over the time period you provided
Private Placements (LPs, private funds)		
Tax credits/deductions or other tax-benefit investments		

Initial(s)	***** Decline to Provide** – I certify that the information regarding Investment Experience and Financial Information is correct and if any information is left blank or not provided by me, I certify that I am declining to provide it.*

AFFILIATIONS AND DISCLOSURES AND SIGNATURES

Are you or any member of your immediate family (family members living in your household) licensed by or registered with FINRA or associated with a broker-dealer? Note - this does not include your financial advisor unless he/she is a member of your immediate family?

☐ Yes ☐ No If yes, provide name of broker-dealer: _____

Note: If the above response is "yes" we will send the required notification to your firm under FINRA Rule 3210.

Are you, or a member of your immediate family, a director/officer or 5% owner of a publicly traded company?

☐ Yes ☐ No If yes, provide name of the company: _____

LEGAL AGREEMENT/DISCLOSURES

BY SIGNING BELOW, YOU AGREE TO SETTLE ANY CONTROVERSY BETWEEN YOU AND TOBIN & COMPANY SECURITIES LLC BEFORE THE FEDERAL COURT OF THE EASTERN DISTRICT OF MISSOURI (IF YOU ARE NOT A MISSOURI CITIZEN) OR BEFORE THE CIRCUIT COURT OF ST. LOUIS COUNTY (IF YOU ARE A MISSOURI CITIZEN) AND YOU WAIVE THE RIGHT TO A JURY TRIAL. THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN.

THIS AGREEMENT CONTAINS A LEGAL/DISCLOSURES CLAUSE.

IMPORTANT DISCLOSURES

FINRA BROKER-CHECK. The Financial Industry Regulatory Authority's (FINRA) Broker Check allows the public to obtain current regulatory information about FINRA member firms and financial advisors, including Tobin & Company Securities LLC. You can get more information, including an investor brochure that includes information describing FINRA Broker Check, by calling its Broker Check hotline at (800) 289-9999 or by visiting its website at brokercheck.finra.org.

DISCLOSURE STATEMENT ABOUT THIS INVESTMENT – These securities are not insured by SIPC or the FDIC or by any Government Agency. The securities are not obligations of the FDIC or any other Government Agency. The securities are not deposits or other obligations of a financial institution. The securities are not guaranteed by any financial institution and they are subject to investment risks, including possible loss of the principal invested.

Investor #1	**Investor #2**
_____	_____
Signature (or Authorized Signor)	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date

BENEFICIAL OWNERSHIPS FORM AND CERTIFICATION
FOR TRUSTS, CORPORATIONS, LLCs AND LPs

This form should be completed by investors that are investing in the name of a trust or in the name of a corporation, limited liability company, limited partnership, or other type of legal entity.

Under the U.S. Patriot Act, we are required to collect and verify information about investors in this offering, which includes information about the beneficial owners of investors that choose to invest in the name of a trust or other type of legal entity.

Trust investors should complete this form. Do not submit the trust document unless requested to do so.

Corporate, LLC and LP investors should complete this form and then submit a copy of the Operating Agreement for the entity.

CHOOSE TYPE OF OWNERSHIP (choose one):

☐ Revocable Trust ☐ Irrevocable Trust

☐ Limited Liability Company (LLC) ☐ Limited Partnership (LP) ☐ Corporation

☐ Other (describe): _____

AUTHORIZED SIGNOR INFORMATION

Provide the name of the person that is authorized to make this investment and sign on behalf of this legal entity. If this investment decision is being made by a third-party administrator (such as a Trust attorney or financial institution), provide the name and contact information of the administrator.	
Provide Tax ID Number of Legal Entity (Trust, Corp, LLC, LP or Corp)	
If Trust, provide the title of the Trust; if Legal Entity, provide the title of the Legal Entity.	
If Trust, provide date of Trust Agreement	
If Trust, provide date of last amendment (if any)	

(continues to next page)

LIST OF TRUSTEES OR BENEFICIAL OWNERS

If Trust, complete the table below, listing **each trustee** of the trust. For other types of legal entities, complete the table below, listing (a) each person who owns 25% or more of equity interests of the entity and (b) each person that exercises significant management responsibility for the entity (regardless of their ownership).[2]

Beneficial Owner(s) - Provide Legal Name of Trustee(s) or Beneficial Owner(s)	Date of Birth	Social Security No.	Residential Address	% of Ownership (non Trusts)

CERTIFICATION OF BENEFICIAL OWNERSHIP

Please select one of the following, as applies to your authority to make this investment:

☐ **The Beneficial Owner(s) listed above may act independently as provided in the Trust or Operating Agreement.**

☐ **The Beneficial Owner(s) listed above may act as a majority as provided in the Trust or Operating Agreement.**

☐ **The Beneficial Owner(s) listed above must act unanimously as provided in the Trust or Operating Agreement, and the authorization of all Beneficial Owners is required.**

By completing and signing this Beneficial Ownership Form and Certification, you are certifying that (i) you are authorized to make this investment and such investment is in full compliance with the Trust or Operating Agreement, (ii) the Trust or Operating Agreement has not been revoked, modified, or amended in any manner that would cause the statements contained in this Certification to be incorrect, (iii) the entity exists under applicable state laws, and (iv) you agree to indemnify and hold harmless the Sponsor, Issuer or Fund and Tobin & Company Securities LLC for any and all losses, liabilities, claims and costs (including reasonable attorneys' fees) resulting from our effecting this investment or acting upon any instruction given by you with regard to this investment.

(continues to next page)

[2] Provide detailed information for each layer of beneficial ownership, if applicable. For example, if the beneficial owner is another entity, provide the entity name and the beneficial owners of that second layer of owners. Attach additional sheets if necessary.

In consideration of this subscription, we, the undersigned Beneficial Owner(s), certify the above information to be accurate, and the powers granted by the Trust or Operating Agreement authorize this transaction without restriction.

Print Name of Beneficial Owner/Authorized Signor	Print Co-Beneficial Owner (if applies)
Signature of Beneficial Owner/Authorized Signor	Signature of Co-Beneficial Owner (if applies)
Date Signed	Date Signed– Co/Joint Owner (if applicable)

If there are more than two persons that are required to sign this Certification, attach additional pages.

THIRD PARTY VERIFICATION OF ACCREDITED INVESTOR

This offering is being made pursuant to the exemption contained in Rule 506(c) of Regulation D of the Securities Act, **which requires us to obtain third party verification that you meet the SEC definition of "accredited investor**."

Please provide the name and email address of your CPA, attorney, SEC Registered Investment Advisor, or broker-dealer ("Trusted Advisor") in the space provided below. We will forward this form (not your entire subscription package) to your Trusted Advisor for completion and signature. **Subscriptions are not deemed complete until we obtain this verification from your trusted advisor**.

Name of Trusted Advisor _____ Email Address – Trusted Advisor _____

FOLLOWING TO BE COMPLETED BY TRUSTED ADVISOR

To the Company:

1. The undersigned serves in the professional capacity set forth below for:

   _____ (the "Investor").
   (insert investor's full name(s))

2. The undersigned has taken reasonable steps within the last 90 days to verify that Investor is an "Accredited Investor" as defined in Rule 501 of Regulation D of the Securities Act of 1933.

3. The undersigned has determined that the Investor is an Accredited Investor.

4. The undersigned is (choose one):

   ☐ a **certified public accountant** who is duly registered and in good standing under the laws of the State of_____;

   ☐ an **attorney** licensed and in good standing under the laws of the State of_____;

   ☐ a **Registered Investment Advisor**, duly registered and in good standing with the SEC or with the State of_____; or

   ☐ a registered Principal of a **registered Broker-Dealer**[1] and member in good standing with FINRA and with the State of_____, which is the State where this Investor resides.

By: _____ _____
Signature – Trusted Advisor Email

_____ _____
Print Name – Trusted Advisor Phone

_____ _____
Firm Name Firm Street Address

_____ _____
Date Signed Firm City/State/Zip

[1] Note that registered representatives of the investor may NOT provide verification of accredited status unless that person is also a registered principal of a FINRA-registered broker-dealer.

REDEMPTION LOCK-UP AGREEMENT

Caliber Fixed Income Fund III LP
8901 E. Mountain View Rd, Suite
150 Scottsdale, Arizona 85258

Re: Redemption Lock-Up Agreement

Caliber Fixed Income Fund III LP:

I am currently the holder of a Class A Limited Partner Interest (the "**Interest**") in Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "**Fund**").

The aggregate Capital Contribution (as defined in the Limited Partnership Agreement of the Fund dated April 1, 2018 (the "**LP Agreement**")) I made to the Fund in exchange for my Interest is $_____. Capitalized terms not otherwise defined hereunder shall have the meanings set forth to such terms in the LP Agreement.

Pursuant to Section 6.11 of the LP Agreement, this letter, once duly executed by the Fund, will constitute a "Lock-Up Agreement," as defined in the LP Agreement. I hereby agree to not submit a Redemption Request to the General Partner or the Fund for a period commencing on the date hereof and ending after the expiration of four complete calendar quarters (the "**Lock-Up Period**"). By way of example, if the Fund executes this Redemption Lock-Up Agreement on December 15, 2018, then the applicable Lock-Up Period will commence on December 15, 2018, and the Lock-Up Period will continue until the expiration of four complete calendar quarters (i.e., December 31, 2019).

In exchange for the restrictions and covenants I have agreed to hereunder, including my agreement to not submit a Redemption Request during the Lock-Up Period, the Class A Preferred Return applicable to my Interest shall be increased to a cumulative, non-compounded preferred return of 9.25% per annum on the Unreturned Capital Contributions of my Interest, which shall accrue and be payable in accordance with the terms and conditions set forth in the LP Agreement.

I expressly acknowledge that the 1% increase of the Lock-Up Period Preferred Return Rate shall accrue on a quarterly calendar basis (i.e. 0.25% following each complete calendar quarter during the Lock-Up Period).

This Redemption Lock-Up 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.

Very truly yours,

_____
(*print Class A Limited Partner name*)

By: _____
Name:
Title:

ACCEPTED AND APPROVED:

GENERAL PARTNER:

CFIF III GP, LLC,
a Delaware limited liability company

By:_____
Name:
Its: Authorized Signatory

ELECTRONIC MAIL AUTHORIZATION

By signing below and providing an email address, Investor agrees and consents to have the Fund and/or its third-party service providers electronically deliver Account Communications (as defined herein). "**Account Communications**" means all current and future account statements; the Limited Partnership Agreement (including all supplements and amendments thereto); Subscription Agreement; notices (including privacy notices); letters to members; financial statements; regulatory communications and other information, documents, **data and records regarding Investor's investment in the Fund (including K-1s)**. Electronic communication by the Fund includes e-mail delivery as well as electronically making available to Investor Account Communications on the Company's website, if applicable. Investor may revoke or restrict its consent to electronic delivery of Account Communications at any time by notifying the Company, in writing, of Investor's intention to do so.

The Fund and its affiliates and their respective third-party service providers shall not be liable for any interception of Account Communications. In addition, there are risks, such as system outages, that are associated with electronic delivery. Account Communications are provided to one email address, regardless of how the investment may be registered (e.g., joint/trust/entity ownership).

_____ _____

Signature (or Authorized Signor, if entity) Date

_____ _____

Print Full Name Email Address

You may, but are not required to, authorize the Company to copy all future Account Communications to your representative (CPA, attorney, financial advisor, etc.) by providing contact information for such person below. All such Account Communications will be subject to the above terms/conditions.

_____ _____

Print Authorized Person's Name Provide Authorized Person's Email Address

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** ▶ **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting,* later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov.* You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint.* You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

WIRE INSTRUCTIONS

INSTRUCTIONS

ELECTRONIC SUBMISSIONS – Subscriptions are accepted via DocuSign, our electronic platform which facilitates the subscription process. After you submit your documents electronically, via DocuSign, please wire funds to the account listed below. Any subscription must include the tender of a sum equal to the full purchase price of the securities being purchased.

BANK WIRE INSTRUCTIONS

Bank Name	*To be provided separately
Address	
Routing Number	
Account Name/ Address	**Caliber Fixed Income Fund III, LP** 8901 East Mountain View Road, Suite 150 Scottsdale, AZ 85258
Account Number	
Reference	BE SURE TO INCLUDE **YOUR FULL NAME IN THE WIRE TRANSFER** SO THAT YOUR SUBSCRIPTION CAN BE PROPERLY MATCHED TO YOUR FUNDS

PAPER SUBMISSIONS - If you are completing these subscription documents manually, please carefully fill-in and sign all required sections. Incomplete documents will be rejected. Paper submissions must be accompanied by a copy of the investor's valid driver's license (and a copy of the driver's license of each co-investor, if applicable). Do not send checks with subscription documents – direct all payments via wire (or check) per instructions above, to the escrow bank. Paper submissions should be sent to the following addressees.

	Caliber Fixed Income Fund III, LP
	ATTN: SUBSCRIPTION SERVICES
	8901 East Mountain View Road, Suite 150
	Scottsdale, AZ 85258
	480-295-7600

IMPORTANT – IF YOU RECEIVE INSTRUCTIONS REGARDING THE ACCOUNT NUMBER OR A CHANGE OF ACCOUNT NUMBER OR BANKING INSTITUTION, CONTACT INVESTOR SERVICES AT CALIBERCOS. INC. 480-295-7600 **TO CONFIRM THAT SUCH INSTRUCTIONS ARE VALID.**

APPENDIX C

Existing Projects[4]

[4] Each asset or fund listed on this schedule is valued on an annual basis with some valuations dated as of December 31, 2019 having been recently updated and some valuations dated in 2018 still in process for update. Updated valuations of specific assets are available to prospective investors upon inquiry with the Fund.

Loan Assets 2020 - April 10th

Borrower	Property Address	City	Property Type	1st Position Loans	CFIF III Loan Amount	Loan Interest	Loan to Value	CFIF III Loan Maturity	Position	Monthly Interest Due	Est. Value	Last Valuation Date
AZ24HRStorage Kingman, LLC	3514 N Powell Ave	Kingman	Self Storage	$ -	$ 692,912	11%	76%	2/20/2021	Mezz	$ 6,352	$ 909,000	12/31/2018
1040 N VIP Blvd, LLC	1040 VIP Blvd	Casa Grande	Self Storage	$ 787,500	$ 264,402	12%	60%	5/31/2021	Mezz	$ 2,582	$ 1,750,000	12/31/2019
Fiesta Tech Owners, LLC	1325 N Fiesta Blvd	Gilbert	Office	$ 3,314,051	$ 514,040	12%	48%	5/31/2021	Mezz	$ 5,225	$ 8,000,000	12/31/2019
Circle Lofts, LLC	Eclipse Townhomes - 1401 N Granite Reef Rd	Scottsdale	Multi-family	$ 4,763,597	$ 4,667,331	12%	73%	5/31/2021	Mezz	$ 47,438	$ 13,000,000	12/31/2019
Flagstaff at 4th Fund, LLC	Elkwood Apts - 1002 N 4th St	Flagstaff	Multi-family	$ 1,050,000	$ 1,823,838	12%	38%	5/31/2021	Mezz	$ 18,476	$ 7,540,000	12/31/2018
Caliber Auction Homes, LLC	8971 N 81st & 12651 N 70th St	Scottsdale	Multi-family	$ -	$ 375,000	11%	24%	6/29/2021	Fund Loan	$ 3,438	$ 1,575,000	12/31/2019
Saddleback Ranch, LLC	Vulture Mine Rd & Hwy 60	Wickenburg	Multi-family	$ -	$ 719,000	11%	21%	5/4/2021	Mezz	$ 6,591	$ 3,500,000	12/31/2018
GC Square, LLC	GC Sq Apts - 3535 W Camelback Rd	Phoenix	Multi-family	$ 11,000,000	$ 821,867	12%	66%	11/29/2021	Mezz	$ 8,252	$ 18,000,000	12/31/2019
J-25 Development Group, LLC	253 Acres of Land Development	Johnstown	Land Development	$ 700,000	$ 855,645	12%	4%	5/31/2021	Mezz	$ 8,697	$ 38,313,790	10/1/2018
Tucson East, LLC	Hilton Hotel - 7600 East	Tucson	Hotel	$ 14,000,000	$ 2,421,245	12%	65%	6/30/2021	Mezz	$ 21,518	$ 25,250,000	12/30/2018
47th Street Phoenix Fund, LLC	Hilton Hotel - 2435 S 47th St	Phoenix	Hotel	$ 31,590,000	$ 1,800,782	12%	67%	7/30/2021	Mezz	$ 17,878	$ 50,000,000	12/31/2019
Elliot 10 Fund, LLC	Shertaton Four Points - 10831 S 51st St	Phoenix	Hotel	$ 11,000,000	$ 5,484,602	10%	75%	8/30/2021	Mezz	$ 46,454	$ 22,000,000	12/31/2019
SF Alaska, LP	Salmon Falls - 16707 N Tongass	Ketchikan	Hotel	$ 6,037,265	$ 4,541,938	12%	78%	5/31/2021	Mezz	$ 45,717	$ 13,500,000	12/31/2018
Edgewater Hotel Group, LLC	Edgewater - 4871 N Tongass	Ketchikan	Hotel	$ 2,017,557	$ 1,953,711	12%	93%	5/31/2021	Mezz	$ 19,727	$ 4,250,000	12/31/2018
CH Ocotillo, LLC	Holiday Inn - 1200 Ocotillo Rd	Chandler	Hotel	$ 9,250,000	$ 59,533	12%	68%	6/30/2020	Mezz	$ 605	$ 13,750,000	12/31/2018
CDIF, LLC	Various	Various	Diversified	$ -	$ 430,000	11%	1%	Various	Fund Loan	$ 3,942	$ 43,899,000	12/31/2018
Caliber Diversified Opportunity Fund II, LP	7306 E Shea Blvd	Scottsdale	Diversified		$ 303,956	12%	1%	5/31/2021	Fund Loan	$ 3,089	$ 22,000,000	12/31/2018
CH Mesa Development, LLC	18, 48, 114, 120, 137, 155, 202, & 206 W Main Street	Mesa	Commercial Retail	$ 1,772,000	$ 852,944	12%	25%	5/31/2021	Mezz	$ 8,669	$ 10,417,000	12/31/2018
Averages					**$ 1,587,930**	**12%**	**49%**			**$ 15,258**	**$ 16,536,322**	
Totals					**$ 28,582,747**					**$ 274,650**	**$ 297,653,790**	

APPENDIX D

Form Lock-Up Agreement

REDEMPTION LOCK-UP AGREEMENT

_____ ___, 2019

Caliber Fixed Income Fund III LP
8901 E. Mountain View Rd, Suite
150 Scottsdale, Arizona 85258

Re: Redemption Lock-Up Agreement

Caliber Fixed Income Fund III LP:

I am currently the holder of a Class A Limited Partner Interest (the "**Interest**") in Caliber Fixed Income Fund III LP, a Delaware limited partnership (the "**Fund**").

The aggregate Capital Contribution (as defined in the Limited Partnership Agreement of the Fund dated April 1, 2018 (the "**LP Agreement**")) I made to the Fund in exchange for my Interest is $_____. Capitalized terms not otherwise defined hereunder shall have the meanings set forth to such terms in the LP Agreement.

Pursuant to Section 6.11 of the LP Agreement, this letter, once duly executed by the Fund, will constitute a "Lock-Up Agreement," as defined in the LP Agreement. I hereby agree to not submit a Redemption Request to the General Partner or the Fund for a period commencing on the date hereof and ending after the expiration of four complete calendar quarters (the "**Lock-Up Period**"). By way of example, if the Fund executes this Redemption Lock-Up Agreement on December 15, 2018, then the applicable Lock-Up Period will commence on December 15, 2018, and the Lock-Up Period will continue until the expiration of four complete calendar quarters (i.e., December 31, 2019).

In exchange for the restrictions and covenants I have agreed to hereunder, including my agreement to not submit a Redemption Request during the Lock-Up Period, the Class A Preferred Return applicable to my Interest shall be increased to a cumulative, non-compounded preferred return of 9.25% per annum on the Unreturned Capital Contributions of my Interest, which shall accrue and be payable in accordance with the terms and conditions set forth in the LP Agreement.

I expressly acknowledge that the 1% increase of the Lock-Up Period Preferred Return Rate shall accrue on a quarterly calendar basis (i.e. 0.25% following each complete calendar quarter during the Lock-Up Period).

This Redemption Lock-Up 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.

Very truly yours,

_____
(*print Class A Limited Partner name*)

By: _____
Name:
Title:

ACCEPTED AND APPROVED:

GENERAL PARTNER:

CFIF III GP, LLC,
a Delaware limited liability company

By:_____
Name:
Its: Authorized Signatory