CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS

PARK STREET TUSCANY, LLC

$20,000,000
OF
LIMITED LIABILITY COMPANY CLASS B UNITS
REPRESENTED BY
$20,000,000
OF
TUSCANY NATIONAL TOKENS

April 3, 2024

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This confidential private placement memorandum (as amended or supplemented, including all appendices, this "Memorandum") is being furnished on a confidential basis to prospective investors in connection with their evaluation of a proposed investment in Park Street Tuscany, LLC, a recently formed Delaware limited liability company (the "Company"). The Company was formed by Park Street Development Group, LLC, a Wyoming Limited Liability Company ("PSDG") and Buena Vista Hospitality Group, Inc., a Florida incorporated entity ("BVHG"). BVHG and PSDG are referred to herein as the ("Managing Members"). The Managing Members will complete the development and open and operate the Property.

Each person or entity who invests in the Company will receive an undivided fractional economic interest in the Company through ownership of Class B Units of the Company, which may be represented by Tuscany National Tokens ("Tokens"), which is intended to be a new series of Ethereum-based smart contract digital tokens. A purchase of Class B Units may or may not also be a purchase of Tokens. Upon development of the Tokens, each investor who has purchased Class B Units may also become a token holder of the Company. When this Memorandum is referring to Tokens, it is referring to Class B Units (whether or not tokenized) and any references to "Token Holders" refers to holders of Class B Units (whether or not such Class B Units are tokenized). Company limited liability company membership interests are reflected as Class A Units and Class B Units. Class A units are reserved for the Managing Members and shall have all the managing and decision-making authority. Class B units represent only an economic interest in the Company. Each Token in this offering will have a value equivalent to one Class B Unit as defined in the Limited Liability Company Agreement (the "LLCA"). The Company intends to acquire 80% of the shares of Cortona Golf & Resort Srl, a limited liability company formed under the laws of Italy ("Cortona"). The Company will not invest in Cortona until it is able to purchase 80 % of Cortona. Cortona owns a partially completed golf/spa resort in Cortona, Italy which is in the Tuscany Region of Italy (the "Property").

The Company is seeking up to $20,000,000 of aggregate capital commitments from qualifying investors, *provided*, *however*, that the Company reserves the right in its sole discretion to accept additional capital commitments for an aggregate offering of up to $21,000,000 (with capital commitments for an aggregate offering of $20,000,000 or $21,000,000, as appliable, the "Maximum Offering"), for $5,000 per Token (the "Offering"). The offering price per Token has been arbitrarily determined by the Company. This Memorandum has been prepared by Park Street Tuscany,

LLC for use by certain qualified potential purchasers to whom the Company is Offering the opportunity to purchase the right to acquire, Tokens, that the Company will use its commercially reasonable efforts to develop and issue.

The Company is targeting an initial closing date to occur in the second quarter of 2024 (which date may be changed at the discretion of the Company) (the "First Closing"). Subsequent closings may be held at the discretion of the Company thereafter. Following the First Closing, the offering will remain upon until such time as (i) the date on which the Company conducts a closing which results in its raising the Maximum Offering amount or (ii) the date on which this Offering is earlier terminated by the Company, in its sole discretion. If the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum.

The Tokens have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Tokens are being offered and sold only (1) to "accredited investors" (as defined in Rule 501 of Regulation D under the Securities Act) in compliance with Rule 506(c) of Regulation D under the Securities Act. Each prospective investor will also be required to make representations as to the basis upon which it qualifies as an accredited investor pursuant to Rule 506(c), independent verification will be required. The Company will not be registered as an "investment company" under the Investment Company Act of 1940, as amended (the "Investment Company Act"). None of the Securities and Exchange Commission (the "SEC"), any state securities commission, any foreign securities authority or any other federal, state or foreign regulatory authority has approved or disapproved of these Tokens or determined if this Memorandum is truthful or complete. Any representation to the contrary is unlawful and may be a criminal offense. No action has been taken in any jurisdiction to permit a public offering of the Tokens. Investing in this Offering involves a high degree of risk and you should only invest if you are prepared to lose your entire investment. You should carefully consider the risks summarized under "Risk Factors" and "Offering Price" of this Memorandum for a discussion of important factors you should consider before purchasing Tokens.

	Sale Price	**Selling Commissions**	**Proceeds to Company**
Per Token	$5,000	$200.00	$4,800
Minimum	$10,000	$400.00	$9,600
Maximum	$20,000,000	$800,000	$19,200,000

The Tokens are being offered and sold in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and are available for purchase only by investors that qualify as "accredited investors," as that term is defined in Rule 501(a) promulgated under Regulation D of the Securities Act, and independent verification of each prospective investors "accredited investor" status will be required.

Subscription proceeds will be deposited into an independent escrow account in an independent financial institution (with any accrued interest to be for the benefit of the Escrow Agent only) pending the closing or termination of offering (see Section IV of this Memorandum, "How to Subscribe"). Upon each closing, all subscription proceeds held in the respective escrow account will be released to the Company for immediate use. If the offering is terminated without a closing as set forth herein or if the Company does not accept some or all of the investor's subscription, such monies will be promptly returned to the investor by Escrow Agent, without deduction and without interest.

Neither the SEC nor any other federal, state or foreign securities commission or similar authority has determined whether this Memorandum is truthful or complete. Any representation to the contrary is a criminal offense. The Tokens are being offered privately and have not been registered under the Securities Act or the securities laws of any state or country in reliance on exemptions from the registration requirements of such laws. There is no public market for the Tokens, and the Tokens are subject to significant restrictions on transfer. An investment in the Company involves significant risk. Prospective investors should have the

financial ability and willingness to accept the risks which are characteristic of the investments described in this Memorandum. See Section X of this Memorandum, "Risk Factors."

PROSPECTIVE INVESTORS ARE ENCOURAGED TO DIRECT INQUIRIES TO:

Scott Brown
Co-Founder and co-CEO | PARK STREET TUSCANY, LLC
scott@tuscanynational.it

Mike Frost
Co-Founder and co-CEO | PARK STREET TUSCANY, LLC
mike@tuscanynational.it

This Memorandum is dated April 3, 2024

I. IMPORTANT NOTICES TO INVESTORS

THIS PRIVATE PLACEMENT MEMORANDUM IS BEING FURNISHED TO PROSPECTIVE INVESTORS ON A CONFIDENTIAL BASIS IN ORDER THAT THEY MAY CONSIDER AN INVESTMENT IN THE COMPANY AND MAY NOT BE USED FOR ANY OTHER PURPOSE.

THIS MEMORANDUM HAS BEEN FURNISHED SOLELY FOR THE INFORMATION OF THE PROSPECTIVE INVESTOR TO WHOM IT HAS BEEN DELIVERED ON BEHALF OF THE COMPANY AND MAY NOT BE REPRODUCED, DISTRIBUTED OR USED BY SUCH RECIPIENT FOR ANY OTHER PURPOSES. EACH RECIPIENT OF THIS MEMORANDUM HEREBY AGREES TO (1) MAINTAIN THE CONFIDENTIALITY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM, AS WELL AS ANY SUPPLEMENTAL INFORMATION PROVIDED TO THE RECIPIENT BY THE COMPANY OR ANY OF ITS REPRESENTATIVES, EITHER ORALLY OR IN WRITING; AND (2) RETURN THIS MEMORANDUM, AS WELL AS ALL SUPPLEMENTAL INFORMATION PROVIDED TO THE RECIPIENT BY THE COMPANY OR ANY OF ITS REPRESENTATIVES UPON REQUEST.

INVESTMENT IN THE COMPANY INVOLVES A HIGH DEGREE OF RISK THAT PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER BEFORE PURCHASING INTERESTS. THERE CAN BE NO ASSURANCE THAT THE COMPANY'S INVESTMENT OBJECTIVES WILL BE ACHIEVED OR THAT INVESTORS WILL RECEIVE A COMPLETE RETURN OF THEIR CAPITAL. INVESTMENT IN THE COMPANY IS SUITABLE ONLY FOR SOPHISTICATED INVESTORS AND REQUIRES THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE HIGH RISKS AND LACK OF LIQUIDITY INHERENT IN AN INVESTMENT IN THE COMPANY.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS OFFERING. PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY, THE MANAGING MEMBERS OR ANY OF THEIR RESPECTIVE MEMBERS, MANAGERS, TOKEN HOLDERS, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS, AS LEGAL, TAX, INVESTMENT OR OTHER ADVICE. EACH INVESTOR SHOULD MAKE ITS OWN INQUIRIES AND CONSULT ITS OWN ADVISORS AS TO THE COMPANY AND THIS OFFERING AND ALL LEGAL, TAX AND RELATED MATTERS.

STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE DATE OF THIS MEMORANDUM UNLESS STATED OTHERWISE AND THE DELIVERY OF THIS MEMORANDUM AT ANY TIME DOES NOT IMPLY THAT INFORMATION HEREIN IS CORRECT AS OF ANY SUBSEQUENT DATE. NO INTERESTS MAY BE SOLD WITHOUT DELIVERY OF THIS MEMORANDUM. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS MEMORANDUM, AND ANY REPRESENTATION OR INFORMATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY, THE MANAGING MEMBERS OR ANY OF THEIR RESPECTIVE AFFILIATES.

THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, THE SECURITIES LAWS OF ANY STATE OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, NOR IS SUCH REGISTRATION CONTEMPLATED. THE INTERESTS ARE BEING OFFERED AND SOLD UNDER THE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY SECTION 4(A)(2) OF THE SECURITIES ACT RULE 506(C) OF AND REGULATION D PROMULGATED THEREUNDER, AND EQUIVALENT EXEMPTIONS IN THE LAWS OF THE STATES AND OTHER JURISDICTIONS WHERE THE OFFERING IS MADE. ONLY "*ACCREDITED INVESTORS*" AS DEFINED IN THE SECURITIES ACT WILL BE ADMITTED AS INVESTORS.

THE COMPANY IS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT"). SECTION 3(A)(1)(A) OF THE 1940 ACT DEFINES AN INVESTMENT COMPANY AS ANY ISSUER THAT IS OR HOLDS ITSELF OUT AS BEING ENGAGED PRIMARILY IN THE BUSINESS OF INVESTING, REINVESTING OR TRADING IN SECURITIES. THE COMPANY WILL NOT BE CONSIDERED AN INVESTMENT COMPANY UNDER SECTION 3(A)(1)(A)

OF THE 1940 ACT BECAUSE THE COMPANY DOES NOT ENGAGE PRIMARILY OR HOLD ITSELF OUT AS BEING ENGAGED PRIMARILY IN THE BUSINESS OF INVESTING, REINVESTING OR TRADING IN SECURITIES. RATHER, THROUGH THE COMPANY'S WHOLLY OWNED OR MAJORITY-OWNED SUBSIDIARIES, THE COMPANY IS PRIMARILY ENGAGED IN THE NON-INVESTMENT COMPANY BUSINESSES OF THESE SUBSIDIARIES, NAMELY THE BUSINESS OF PURCHASING OR OTHERWISE ACQUIRING REAL PROPERTY. FOR FURTHER INFORMATION, SEE SECTION XII CERTAIN REGULATORY AND TAX CONSIDERATIONS.

THE INTERESTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OR ANY OTHER JURISDICTION OR BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAS ANY REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

EACH PROSPECTIVE INVESTOR MUST BE AN "ACCREDITED INVESTOR," AS SUCH TERM IS DEFINED UNDER RULE 501(A) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT, AND MUST ALSO REPRESENT IN HIS, HER OR ITS SUBSCRIPTION AGREEMENT (MADE A PART HEREOF AND ATTACHED HERETO) THAT HE, SHE OR IT HAS SUCH SOPHISTICATION, KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE, SHE OR IT (1) IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF THIS INVESTMENT AND (2) IS ABLE TO BEAR A TOTAL LOSS OF THEIR INVESTMENT. AS THIS OFFERING IS BEING MADE PURSUANT TO SECTION 4(A)(2) AND RULE 506(C) UNDER THE SECURITIES ACT, INDEPENDENT VERIFICATION OF EACH PROSPECTIVE MEMBER'S ACCREDITED INVESTOR STATUS WILL BE REQUIRED. SEE SECTION III "WHO MAY INVEST."

PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF INTERESTS, AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT THERETO. THIS MEMORANDUM DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. THE INTERESTS MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND THIS MEMORANDUM MAY NOT BE DISTRIBUTED IN ANY JURISDICTION, EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH JURISDICTION.

EACH PROSPECTIVE INVESTOR IS INVITED TO MEET WITH REPRESENTATIVES OF THE MANGING MEMBERS TO DISCUSS WITH, ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, SUCH REPRESENTATIVES CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING, AND TO OBTAIN ANY ADDITIONAL RELEVENT INFORMATION, TO THE EXTENT SUCH REPRESENTATIVES POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE, NECESSARY TO VERIFY THE INFORMATION CONTAINED HEREIN.

THERE IS NO TRADING MARKET FOR THE COMPANY'S TOKENS AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE TOKENS WILL BE ACCEPTED FOR INCLUSION ON NASDAQ, ALTERNATIVE TRADING SYSTEM (ATS) OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE. THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE TOKENS PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE TOKENS IS BEING UNDERTAKEN PURSUANT TO RULE 506 (c) OF REGULATION D UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE TOKENS, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SECURITIES TO WHICH THE CONFIDENTIAL TERM SHEET RELATES HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT

NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

IN CONSIDERING ANY PRIOR PERFORMANCE INFORMATION INCLUDED IN THIS MEMORANDUM, PROSPECTIVE INVESTORS SHOULD KEEP IN MIND THAT (1) SUCH PERFORMANCE RELATES TO COMPANYS, PROGRAMS AND INDIVIDUAL INVESTMENTS WITH INVESTMENT OBJECTIVES THAT MAY DIFFER TO A VARYING DEGREES FROM THE COMPANY'S INVESTMENT OBJECTIVES, (2) THE PRIOR INVESTMENTS WERE MADE OVER THE COURSE OF VARIOUS MARKET AND MACROECONOMIC CYCLES AND SUCH CIRCUMSTANCES MAY BE DIFFERENT THAN THOSE IN WHICH THE COMPANY WILL INVEST, (3) PAST PERFORMANCE, INCLUDING, WITHOUT LIMITATION, THE PERFORMANCE OF PRIOR INVESTMENTS MANAGED BY AFFILIATES OF THE MANAGING MEMBERS SET FORTH HEREIN, IS NOT NECESSARILY INDICATIVE OF THE COMPANY'S FUTURE RESULTS, AND (4) THERE CAN BE NO ASSURANCE THAT THE COMPANY WILL ACHIEVE COMPARABLE RESULTS TO SUCH PRIOR INVESTMENTS OR BE ABLE TO IMPLEMENT ITS STRATEGY OR ACHIEVE ITS INVESTMENT OBJECTIVES.

THE COMPANY'S TARGET RETURNS CONTAINED IN THIS MEMORANDUM ARE BASED ON THE MANAGING MEMBERS' BELIEF ABOUT THE RETURNS THAT MAY BE ACHIEVABLE ON INVESTMENTS THAT THE COMPANY INTENDS TO PURSUE IN LIGHT OF THE INVESTMENT EXPERIENCE OF THE PRINCIPALS OF THE MANAGING MEMBERS AND THEIR AFFILIATES WITH RESPECT TO OTHER INVESTMENT VEHICLES, ITS VIEW ON CURRENT MARKET CONDITIONS, POTENTIAL INVESTMENT OPPORTUNITIES THAT THE MANAGING MEMBERS ARE CURRENTLY REVIEWING OR HAVE RECENTLY REVIEWED, AVAILABILITY OF FINANCING AND CERTAIN ASSUMPTIONS ABOUT INVESTING CONDITIONS AND MARKET FLUCTUATION OR RECOVERY. TARGETED RETURNS ARE BASED ON MODELS, ESTIMATES AND ASSUMPTIONS ABOUT PERFORMANCE BELIEVED TO BE REASONABLE UNDER THE CIRCUMSTANCES. THERE IS NO GUARANTEE THAT THE FACTS ON WHICH SUCH ASSUMPTIONS ARE BASED WILL MATERIALIZE AS ANTICIPATED AND WILL BE APPLICABLE TO THE COMPANY'S INVESTMENTS. ACTUAL EVENTS AND CONDITIONS MAY DIFFER MATERIALLY FROM THE ASSUMPTIONS USED TO ESTABLISH TARGET RETURNS.

CERTAIN INFORMATION CONTAINED HEREIN IS BASED ON OR DERIVED FROM INFORMATION PROVIDED BY INDEPENDENT THIRD-PARTY SOURCES. WHILE SUCH INFORMATION IS BELIEVED TO BE ACCURATE RELIABLE FOR THE PURPOSES FOR WHICH IT IS USED HEREIN, NO REPRESENTATIONS ARE MADE AS TO THE ACCURACY OR COMPLETENESS THEREOF AND NONE OF THE COMPANY, THE MANAGING MEMBERS, OR ANY OF THEIR RESPECTIVE MEMBERS, MANAGERS, TOKEN HOLDERS, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS ASSUMES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THIS MEMORANDUM CONTAINS A SUMMARY OF THE COMPANY'S LLCA AND CERTAIN OTHER DOCUMENTS REFERRED TO HEREIN. HOWEVER, THE SUMMARIES SET FORTH IN THIS MEMORANDUM DO NOT PURPORT TO BE COMPLETE AND THEY ARE SUBJECT TO AND QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE LLCA, THE SUBSCRIPTION AGREEMENT (THE "SUBSCRIPTION AGREEMENT") RELATING TO THE PURCHASE OF INTERESTS AND SUCH OTHER DOCUMENTS. IF DESCRIPTIONS OR TERMS IN THIS MEMORANDUM ARE INCONSISTENT WITH OR CONTRARY TO DESCRIPTIONS OR TERMS IN THE LLCA, THE SUBSCRIPTION AGREEMENT OR SUCH OTHER DOCUMENTS, THE LLCA, THE SUBSCRIPTION AGREEMENT OR SUCH OTHER DOCUMENTS, AS APPLICABLE, SHALL CONTROL.

II. CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this Memorandum that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto) are forward-looking statements. These statements are only predictions. Prospective investors are cautioned that forward-looking statements are not guarantees. Actual events or the Company's investments and results of operations could differ materially from those expressed or implied in any forward-looking statements. Forward-looking statements are typically identified by the use of terms such as "may," "should," "expect," "could," "intend," "plan," "anticipate," "estimate," "believe," "continue," "predict," "potential" or the negative of such terms and other comparable terminology.

The forward-looking statements included in this Memorandum are based upon the Managing Members' current expectations, plans, estimates, assumptions and beliefs, and involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the Company's control. Although the Managing Members believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company's actual results and performance could differ materially from those set forth in the forward-looking statements.

Any of the assumptions underlying forward-looking statements could be inaccurate. Potential investors are cautioned not to place undue reliance on any forward-looking statements included in this Memorandum. All forward-looking statements are made as of the date of this Memorandum and the risk that actual results will differ materially from the expectations expressed in this Memorandum will increase with the passage of time. Except as otherwise required by securities laws, the Company undertakes no obligation to update or revise any forward-looking statements after the date of this Memorandum, whether as a result of new information, future events, changed circumstances or any other reason. In light of the significant uncertainties inherent in the forward-looking statements included in this Memorandum, including, without limitation, the risks described under "Risk Factors," the inclusion of such forward-looking statements should not be regarded as a representation by the Company or any other person that the objectives and plans set forth in this Memorandum will be achieved.

TABLE OF CONTENTS

III. WHO MAY INVEST

The offer and sale of the Tokens is being made in reliance on an exemption from the registration requirements of the Securities Act. Accordingly, distribution of this Memorandum has been strictly limited to persons who meet the investor suitability requirements and make the representations set forth in the Subscription Agreement. The Managing Members reserve the right in its sole and absolute discretion to declare any prospective investor ineligible to purchase Tokens based on any information that may become known or available to the Managing Members concerning the suitability of such prospective investor or for any other reason.

ACCREDITED INVESTOR – REQUIREMENTS OF PURCHASER

A. Requirements for Purchasers

Prospective purchasers of the Tokens offered by this Memorandum should give careful consideration to certain risk factors described under "RISK FACTORS" section and especially to the speculative nature of this investment and the limitations described under that caption with respect to the lack of a readily available market for the Tokens and the resulting long-term nature of any investment in the Company. This Offering is available only to suitable Accredited Investors, having adequate means to assume such risks and of otherwise providing for their current needs and contingencies should consider purchasing Tokens.

B. General Suitability Standards

The Tokens will not be sold to any person unless such prospective purchaser or his or her duly authorized representative shall have represented in writing to the Company in a Subscription Agreement that:

a) The prospective purchaser has adequate means of providing for his or her current needs and personal contingencies and has no need for liquidity in the investment of the Tokens;

b) The prospective purchaser's overall commitment to investments which are not readily marketable is not disproportionate to his, her, or its net worth and the investment in the Tokens will not cause such overall commitment to become excessive; and

c) The prospective purchaser is an "Accredited Investor" (as defined below) suitable for purchase in the Tokens.

d) Each person acquiring Tokens will be required to represent that he, she, or it is purchasing the Tokens for his, her, or its own account for investment purposes and not with a view to resale or distribution. However, Token Holders may trade their shares on secondary markets after the lockup period. See "SUBSCRIPTION FOR TOKENS" section.

C. Accredited Investors

The Company will conduct the Offering in such a manner that Tokens may be sold only to "Accredited Investors" as that term is defined in Rule 501(c) of Regulation D promulgated under the Securities Act of 1933 (the "Securities Act"). In summary, a prospective investor will qualify as an "Accredited Investor" if he, she, or it meets any one of the following criteria:

a) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase, exceeds $ 1,000,000 excluding the value of the primary residence of such natural person;

b) Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;

c) Any bank as defined in Section 3(a)(2) of the 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;

any broker or dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934 (the "Exchange Act"); any insurance company as defined in Section (13) of the Exchange Act; any investment company registered under the Investment Company Act of 1940 or a business 2 development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company (SBIC) licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any 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; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, 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;

d) Any private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940;

e) Any organization described in Section 501(c)(3)(d) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

f) Any director or executive officer, or general partner of the issuer of the securities being sold, or any director, executive officer, or general partner of a general partner of that issuer;

g) Any 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 as described in Section 506(b)(2)(ii) of Regulation D adopted under the Act; and

h) Any entity in which all the equity owners are Accredited Investors.

IV. HOW TO SUBSCRIBE

All subscriptions for the Tokens must be made by the execution and delivery of the documents contained in the subscription documents (including, without limitation, a Subscription Agreement) in the form made part of and attached to this Memorandum. By executing such documents, each prospective investor will represent, among other things, that: (i) he, she, or it is acquiring the Tokens being purchased for his, her, or its own account, for investment purposes, and not with a view towards resale or distribution; and (ii) immediately prior to such purchase, such prospective investor satisfies the eligibility requirements as set forth in this Memorandum. *See "III. WHO MAY INVEST"*.

The Company has the right to revoke the offer made herein and to refuse to sell the Tokens to any prospective investor for any reason in its sole discretion including, without limitation, if such prospective investor does not promptly supply all the information requested by the Company. In addition, the Company, in its sole discretion, may establish a limit on the purchase of the Tokens by a particular prospective investor.

The Company is targeting an initial closing date to occur in the second quarter of 2024 (which date may be changed at the discretion of the Company) (the "First Closing"). Subsequent closings may be held at the discretion of the Company thereafter. Following the First Closing, the offering will remain upon until such time as (i) the date on which the Company conducts a closing which results in its raising the Maximum Offering amount or (ii) the date on which this Offering is earlier terminated by the Company, in its sole discretion. If the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum.

In addition, since each prospective investor will be subject to certain restrictions on the sale, transfer, or disposition of his, her, or its Tokens, as contained in the Subscription Agreement and/or the LLCA, each prospective investor must be prepared to bear the economic risk of an investment in the Tokens for an indefinite period of time. A purchaser of the Tokens, pursuant to the Subscription Agreement and applicable law, will not be permitted to transfer or dispose of the Tokens, unless such Tokens are registered or unless such transaction is exempt from registration under the Securities Act and other applicable securities laws and, in the case of a purportedly exempt sale, such purchaser provides to the Company (at his, her, or its own expense) an opinion of counsel or other evidence satisfactory that such exemption is available. The Tokens will bear a legend relating to such restrictions on transfer.

Investors will be able to subscribe to the offering through the Portal (as defined herein). Investors seeking to purchase Tokens should:

- Carefully read this Memorandum, including the LLCA and any other documents referenced herein or therein;
- Complete and execute a Subscription Agreement; and
- Deliver the completed and executed Subscription Agreement and other documents requested therein, in accordance with the instructions set forth in the Subscription Agreement.
- Before or after a Subscription Agreement is signed, the Portal will facilitate investor's transfer of funds by ACH or wire, in an amount equal to the purchase price of investor's Tokens (as set out in investor's Subscription Agreement) into an escrow account with the Escrow Agent (with any accrued interest to be for the benefit of the Escrow Agent only).
- Once the review is complete, the Company or tZERO Securities will inform the investor whether or not the investor application to subscribe for the Tokens is approved or denied and if approved, the number of Tokens for which the investor is entitled to subscribe. If the investor's subscription is rejected in whole or in part, then the investor's subscription payments (being the entire amount if the investor's application is rejected in whole or the payments associated with those subscriptions rejected in part) will be refunded, without interest or deduction. The Company will accept subscriptions on a first-come, first served basis subject to the right to reject or reduce subscriptions.

- If all or part an investor's subscription is approved, then the number of Tokens an investor is entitled to subscribe will be issued to an investor upon a closing. Simultaneously with the issuance of an investor's Tokens, the subscription monies held by the Escrow Agent in escrow on investor's behalf will be transferred to the Company. All accepted Subscription Agreements are irrevocable.

The Company and tZERO Securities, LLC, will rely on the information investors provide in the Subscription Agreement and the supplemental information investors provide in order for tZERO Securities, LLC to verify that you are qualified to invest in this offering. If any information about the investor's status changes prior to the investor being issued Tokens, please notify tZERO Securities, LLC or the Company immediately using the contact details set out in the Subscription Agreement.

The Escrow Agent shall establish an account (the "Escrow Account"). The Escrow Account shall be a segregated deposit account at the bank (with any accrued interest to be for the benefit of the Escrow Agent only). The funds advanced by prospective investors as part of the subscription process will be held in the Escrow Account until either there this a closing with respect to the Tokens or upon the Escrow Account being terminated as set forth herein. Upon the occurrence of a closing, the subscription funds will be transferred from the Escrow Account to the Company, subject to the escrow agent's funds clearance policies and procedures. The subscription funds will not be transferred to the Company unless and until there is a closing.

If the Offering is terminated without a closing as set forth herein, or if the Company does not accept some or all of an investor's subscription, such monies will be promptly returned to the investor by Escrow Agent, without deduction and without interest.

The Company shall be obligated to reimburse Escrow Agent for all fees, costs and expenses incurred or that become due in connection with the Escrow Agreement or the Escrow Account, including reasonable attorney's fees.

The Escrow Agent, in no way endorses the merits of the Offering or of the Tokens.

V. EXECUTIVE SUMMARY

OVERVIEW

The Company intends to acquire 80% of the shares of Cortona Golf & Resort Srl, a limited liability company formed under the laws of Italy ("Cortona"). The Company will not invest in Cortona until it is able to purchase 80 % of Cortona. Cortona owns a partially completed golf/spa resort in the Tuscany Region of Italy (the "Property") was formed by Park Street Development Group LLC ("PSDG") and Buena Vista Hospitality Group, Inc. ("BVHG"). BVHG and PSDG are referred to herein as the ("Managing Members"). The Managing Members will complete the development and open and operate the Property. The proceeds from the offering, net of expenses, will be solely applied to the Cortona Investment.

Each person or entity who invests in the Company will receive an undivided fractional economic interest in the Company through ownership of Class B Units of the Company, which may be represented by Tuscany National Tokens ("Tokens"), which is intended to be a new series of Ethereum-based smart contract digital tokens. A purchase of Class B Units may or may not also be a purchase of Tokens. Upon development of the Tokens, each investor who has purchased Class B Units may also become a token holder of the Company. When this Memorandum is referring to Tokens, it is referring to Class B Units (whether or not tokenized) and any references to "Token Holders" refers to holders of Class B Units (whether or not such Units are tokenized). Company limited liability company membership interests are reflected as Class A Units and Class B Units. Class A units are reserved for the Managing Members and shall have all the managing and decision-making authority. Class B units represent only an economic interest in the Company. Each Token in this offering will have a value equivalent to one Class B Unit as defined in the Limited Liability Company Agreement (the "LLCA").

The Company is seeking up to $20,000,000 of aggregate capital commitments from qualifying investors, *provided*, *however*, that the Company reserves the right in its sole discretion to accept additional capital commitments for an aggregate offering of up to $21,000,000 (with capital commitments for an aggregate offering of $20,000,000 or $21,000,000, as appliable, the "Maximum Offering"), for $5,000 per Token (the "Offering"). The offering price per Token has been arbitrarily determined by the Company. This Memorandum has been prepared by Park Street Tuscany, LLC for use by certain qualified potential purchasers to whom the Company is Offering the opportunity to purchase the right to acquire, Tokens, that the Company will use its commercially reasonable efforts to develop and issue.

The Company is targeting an initial closing date to occur in the second quarter of 2024 (which date may be changed at the discretion of the Company) (the "First Closing"). Subsequent closings may be held at the discretion of the Company thereafter. Following the First Closing, the offering will remain upon until such time as (i) the date on which the Company conducts a closing which results in its raising the Maximum Offering amount or (ii) the date on which this Offering is earlier terminated by the Company, in its sole discretion. If the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum.

Subscription proceeds will be deposited into an independent escrow account in an independent financial institution (with any accrued interest to be for the benefit of the Escrow Agent only) pending the closing or termination of offering (see Section IV of this Memorandum, "How to Subscribe"). Upon each closing, all subscription proceeds held in the respective escrow account will be released to the Company for immediate use. If the offering is terminated without a closing as set forth herein or if the Company does not accept some or all of the investor's subscription, such monies will be promptly returned to the investor by Escrow Agent, without deduction and without interest.

The proceeds from the offering, net of expenses, will be solely applied to the Cortona Investment. If the Company achieves raising six million dollars ($6,000,000) then the Company will make the 80% investment in Cortona. The Company plans to reposition and actively manage the Property located in Italy. The Company will not invest in Cortona until it is able to purchase 80 % of Cortona. The Company will primarily seek to reposition and actively manage in order to stabilize occupancy, generate current income and produce long-term growth.

As of the final closing, the Managing Members its members and their respective affiliates shall have made capital commitments to the Company of at least the lesser of (i) $200,000 and (ii) 1.0% of the aggregate capital commitments to the Company (not including capital commitments of the Managing Members and their affiliates).

The Managing Members and the Advisory Board have over 200 years of combined hospitality/resort development and operating experience.

THE ADVISORY BOARD

The Advisory Board will advise the Managing Members regarding the Company's operations. The Company is controlled by Scott Brown and Mike Frost each of whom is an officer of Park Street Tuscany, LLC.

THE PROPERTY

The Property is located in Cortona Italy. Cortona is a City in the Tuscany Region of Italy which was made famous by the movie adaptation of the book written by Frances Mayes, Under the Tuscan Sun**.** The Resort has been designed as a small central core of the complex, like an island surrounded by greens of the golf course, the vineyards and the Tuscan landscape. Tuscany National will be the first golf resort in Cortona. It will cover approximately 200 acres and will include an 18-hole championship golf course designed by Gary Player Design.

INVESTMENT STRATEGY

The Company intends to acquire, reposition and actively manage the Property located in Italy. The Company will primarily seek to acquire the Property which the Company will reposition and actively manage in order to stabilize occupancy, generate current income and produce long-term growth.

The Managing Members believes that the Company's investment strategy will provide the following benefits to the Company:

- An investment in a full-service destination resort in a highly desirable location at well below replacement cost.
- An opportunity to realize above average annual cash on cash returns.
- Investment in an appreciating real estate asset in a location with high barriers to additional competition.
- An opportunity for the individual token holders to enjoy the resort and its amenities at a discounted price.

INVESTMENT OBJECTIVES

The Company's primary investment objectives are to:

- preserve and return investors' capital;
- generate current income, long-term growth and distributions to investors; and
- realize growth in the value of the Company's investments.

Property Characteristics

The Property is located in Cortona Italy. Cortona is a City in the Tuscany Region of Italy which was made famous by the movie adaptation of the book written by Frances Mayes, Under the Tuscan Sun. The Resort has been designed as a small central core of the complex, like an island surrounded by greens of the golf course, the vineyards and the Tuscan landscape. Tuscany National will be the first golf resort in Cortona. It will cover approximately 200 acres and will include an 18-hole championship golf course designed by Gary Player Design.

Managing Members' Capabilities

The Managing Members and the Advisory Board have over 200 years of combined hospitality/resort development and operating experience.

VI. DESCRIPTION OF PRINCIPAL TERMS

The following is a summary of the key terms on which the Company will offer and sell Tokens. The following summary is subject to and qualified in its entirety by the "Detailed Summary of Terms" and the provisions of the LLCA and the Subscription Agreement. Capitalized terms not defined below shall have the meanings ascribed to such terms elsewhere in this Memorandum.

The Company	Park Street Tuscany, LLC, a newly formed Delaware limited liability company.
Class B Units	Each person or entity who invests in the Company will receive an undivided fractional economic interest in the Company through ownership of Class B Units of the Company. Ownership of such Class B Units will be reflected on the books and records of the Company and may also be reflected in the form of Tokens.
Tuscany National Tokens	If developed, the Tokens will represent a courtesy copy of the holder of record information reflected on the books and records of the Company. Because the Company's Class B Units may be represented by Tokens, when this Memorandum is referring to Tokens, it is referring to Class B Units (whether or not tokenized) and any references to "Token Holders" refers to holders of Class B Units (whether or not such Class B Units are tokenized). The Company is currently proposing that the Tokens will be created as a Ethereum-based smart contract digital token. However, the Company reserves the right, in its sole discretion, to issue Tokens on another blockchain network. The Tokens are being offered and sold only to "accredited investors" (as defined in Rule 501 of Regulation D under the Securities Act).
The Offering	The Company is seeking up to $20,000,000 of aggregate capital commitments from from sophisticated U.S. investors that are "accredited investors" (as defined in Rule 501 of Regulation D under the Securities Act), *provided*, *however*, that the Company reserves the right in its sole discretion to accept additional capital commitments for an aggregate offering of up to $21,000,000 (with capital commitments for an aggregate offering of $20,000,000 or $21,000,000, as appliable, the "Maximum Offering"), for $5,000 per Token (the "Offering"). The offering price per Token has been arbitrarily determined by the Company. This Memorandum has been prepared by Park Street Tuscany, LLC for use by certain qualified potential purchasers to whom the Company is Offering the opportunity to purchase the right to acquire, Tokens, that the Company will use its commercially reasonable efforts to develop and issue. There is no pre-determined minimum offering amount.
Target Returns	The Company is targeting average annual cash yields of 20% to 22% upon completion of the Property's construction which is estimated to be in early 2025.

Managing Members Investment	Upon raising the Maximum Offering amount, the Managing Members its members and their respective affiliates shall have made capital commitments to the Company of at least the lesser of (i) $200,000 and (ii) 1.0% of the aggregate capital commitments to the Company (not including capital commitments of the Managing Members and their affiliates).
Minimum Investment	$5,000 or 1 Token; *provided, however*, that the Company may choose to sell Tokens and accept subscriptions for capital commitments of less than $5,000 in the Managing Members' sole discretion.
Offering Period	The Offering will commence on the date of this Memorandum and, if the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum.
Closing:	The Company is targeting an initial closing date to occur in the second quarter of 2024 (which date may be changed at the discretion of the Company) (the "First Closing"). Subsequent closings may be held at the discretion of the Company thereafter. Following the First Closing, the offering will remain upon until such time as (i) the date on which the Company conducts a closing which results in its raising the Maximum Offering amount or (ii) the date on which this Offering is earlier terminated by the Company, in its sole discretion. If the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum.
Leverage	Assuming the Maximum Offering is raised the Company intends to purchase a debt owed to Banca Intesa in the approximate amount of €12,000,000 ($12,987,120.00 as of March 27, 2024) for €4,500,000 ($4,870,183.50 as of March 27, 2024). The Company will assume restructured debt in the approximate amount of €7,000,000 ($7,576,191.00 as of March 27, 2024) from Banco Populare Sondrio. In addition, the Company will borrow €5,600,000 ($6,061,260.80 as of March 27, 2024) from Credito Sportivo, a quasi-Italian Government agency for the completion of the golf course and golf clubhouse. The total Company indebtedness will total €12,600,000 ($13,637,723.40 as of March 27, 2024) in addition to the $20,000,000 in preferred equity contributed to the Offering will result in a leverage ratio of 40.6% (with Euro conversion).
Distributions	Distributions will be made at such times and in such amounts as determined by the Company in its sole discretion. The Company expects to begin making quarterly distributions during 2025.
Construction-Related Fees	Market rate fees to perform construction management services in connection with repositioning, renovation, rehabilitation, and capital improvements of the Property owned by the Company. Any fees paid thereunder will be reasonable based upon the market in which the Property is located and the scope of services performed.
Property Management Fees	Development service fees for the completion of construction and pre-opening activities will be $500,000 collectively to the Managing Members. Resort operations fees conducted by the Managing Members once the Property opens will be $20,000 per month plus 1.5% of gross revenues for these services to the Managing Members collectively.

Presale of Club Memberships The Managing Members intend to attempt to pre-sell Club memberships into Tuscany National. To the extent that these sales are made, the net proceeds from the sale of the memberships will be used to pay the Company's expenses prior to the closing of the Company's purchase of the 80% interest in Cortona. Any funds from the pre-sale of memberships that are not necessary to be used for Company expenses will be retained by the Company and added to the Company's working capital reserves.

Organizational and Offering Expenses The Company will incur all expenses in connection with the formation of, and the offering of Tokens in the Company, including, without limitation, all legal fees and expenses, the cost of producing and distributing the Company's private placement memorandum and any related marketing materials, printing and mailing costs, filing fees and expenses, marketing expenses (including, without limitation, the expenses of any placement agent of the Company), and any other expenses related to the foregoing (collectively, the "O&O Expenses").

The Company has engaged tZERO Technologies, LLC ("tZERO Tech") through certain technology services agreements whereby the Company is paying tZERO Tech, respectively, an initial $25,000 fee for the tokenization of the Tokens and $10,000 set-up fee for the development of an online issuance platform related to the offering (the "Platform"), along with a $2,000 per month fee for each month the Platform is operational, and other fees for transaction processing and additional services. The tZERO Tech fees shall be included and made part of the O&O Expenses.

The Company will be entitled to reimbursement for O&O Expenses up to an amount equal to $2,150,000. Any O&O Expenses incurred in excess of such limit will be borne solely by the Managing Members pursuant to a dollar for dollar reduction to the Property Management Fees.

Managing Members Expenses The Company will be responsible for all of its routine operating expenses, including, without limitation, all of its overhead expenses, office rent, employee salaries, and the cost of office equipment and utilities.

Notwithstanding the foregoing, and subject to the limitation on travel and lodging reimbursements discussed below in "Company Operating Expenses," the Company will reimburse the Managing Members and their affiliates for all direct, out-of-pocket costs incurred by the Managing Members and their affiliates, employees or agents in connection with the performance of the Managing Members' duties and the Company's business (to the extent such expenses do not constitute O&O Expenses); provided, that such costs would constitute Company Expenses (as defined below) if incurred directly by the Company.

Company Operating Expenses

The Company will be responsible for and pay all costs and expenses relating to the Company's activities, investments, and ongoing business (collectively, "Company Expenses"), and subject to the limitations discussed below, will reimburse the Managing Members for any such Company Expenses incurred on behalf of the Company. Such Company Expenses will include, without limitation:

- all costs and expenses incurred in conducting due diligence investigations into, purchasing, acquiring, developing, negotiating, structuring, hedging, financing and disposing of investments (whether or not such investments are ultimately consummated);
- third party legal, accounting, auditing, consulting and other fees and expenses;
- all Property Management Fees, acquisition fees and any other fees payable to the Managing Members or their affiliates for services provided to the Company;
- costs, fees and expenses associated with any financing obtained by the Company (whether or not such financing is ultimately utilized);
- any taxes, fees and other governmental charges levied against the Company;
- premiums for insurance protecting the Company and the Managing Members;
- costs and expenses of the preparation of the Company's financial statements, tax returns and filings;
- any indemnification obligation of the Company with respect to any person;
- costs and expenses of meetings of the Token Holders; and
- and expenses incurred in dissolving and winding up the Company.

The Company may withhold from any amounts available for distribution any amounts necessary to create, in the Managing Members' sole discretion, appropriate and adequate reserves for current or anticipated Company Expenses and liabilities of the Company. The Managing Members may elect to use offering proceeds to pay Company Operating Expenses prior to its investment in Cortona.

Transfers	After they are initially issued, the Tokens will be subject to transfer to another Token Holder only if compliance is met with all regulations surrounding the exemption under which the Token was issued. These compliance restrictions will be built into each Token's smart contract to prevent the unauthorized transfer of such Tokens. In all circumstances with the Tokens, the transfer agent will control the process. For example, the transfer agent will evaluate, select and manage any third parties who wish to publish additions to the whitelists. These third parties may include exchanges or KYC/AML providers who are engaged to ensure that whitelists are updated and accurate.
Reports to Token Holders	The Company will provide a narrative and financial report on the business activities of the Company on a annual basis.
Exculpation; Indemnification	To the fullest extent permitted by law, none of the Managing Members, their affiliates or any of their respective members, managers, Token Holders, shareholders, directors, officers, employees or agents and any other person who serves at the request of the Managing Members on behalf of the Company as an officer, member, director, partner or employee of any other entity (collectively, "Indemnitees"), will be liable to the Company, any other Indemnitee or any Token Holder for any act or omission taken or suffered by such Indemnitee in connection with the conduct of the affairs of the Company or otherwise in connection with the LLCA, unless such act or omission resulted from fraud, willful misconduct or gross negligence by such Indemnitee. To the fullest extent permitted by law, the Company will indemnify and save harmless each of the Indemnitees from and against any and all claims, liabilities, damages, losses, costs and expenses (including amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and reasonable legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim) of any nature, which are incurred by any Indemnitee by reason of its activities on behalf of the Company or in furtherance of the interest of the Company or otherwise arising out of or in connection with the Company; provided, however, that an Indemnitee will be entitled to indemnification only to the extent that such Indemnitee's conduct did not constitute fraud, willful misconduct or gross negligence.
Liquidation Events	The sale of some or all of the Property owned by the Company. Upon the liquidation of the Property, the Company will distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by applicable law; (i) first, to the payment of all of the Company's debts and liabilities, (ii) second, the setting up of any reserves as required by law for any liabilities or obligations of the Company, (iii) third, to the Token Holders in accordance with the distribution provisions of the LLCA, and (iv) fourth, to the 20% interest owned by BIGLI.

Tax Considerations	The Company expects that it will be treated as a partnership for U.S. federal income tax purposes. Consequently, the Company generally will not be subject to U.S. federal income tax, and each Token Holder of the Company will be required to include in computing its U.S. federal income tax liability its allocable share of the items of income, gain, loss, deduction and credit of the Company, regardless of whether any distributions have been made by the Company to that Token Holder. In any given year, the Company may generate substantial amounts of income without a corresponding distribution of cash. Token Holders may be required to use other funds to satisfy the tax liability to being a Token Holder of the Company. Tax-exempt entities should be aware that the Company may generate "unrelated business taxable income", and non-U.S. investors should be aware that the Company may generate "effectively connected income." Prospective investors should consult their own tax advisors for further information about the tax consequences of being a Token Holder of the Company
Regulatory Considerations	The Managing Members intend to organize and operate the Company so that it will not subject the Company to the registration requirements of the Investment Company Act of 1940, as amended.
Risk Factors	AN INVESTMENT IN THE COMPANY WILL INVOLVE A HIGH DEGREE OF RISK. There can be no assurance that the Company's objective will be achieved. See Section X of this Memorandum, "Risk Factors."
Amendments to LLCA	No provision of the LLCA may be amended or modified except by an instrument in writing executed by the Company and majority of Managing Members. Any such written amendment or modification will be binding upon the Company and each Token Holder; provided, that an amendment or modification modifying the rights or obligations of (x) any Token Holder in a manner that is disproportionately adverse to such Token Holder relative to the rights of other Token Holders in respect of Tokens of the same class or series or (y) a class or series of Tokens in a manner that is disproportionately adverse to such class or series relative to the rights of another class or series of Tokens, shall in either case be effective only with that Token Holder's consent or the consent of the majority of Managing Members in that disproportionately affected class or series. The Managing Members may, without the consent of or execution by the Members, amend or modify (i) the LLCA in accordance with the provisions of Section 3.04 of the LLCA and (ii) the Members Schedule in accordance with Section 4.01(b) of the LLCA.
Side Letters	The Company and/or the Managing Members, without any further act, approval or vote of any Partner, may enter into side letters or other similar agreements with one or more Token Holders that have the effect of altering or supplementing the terms of the LLCA (including, without limitation, economic terms) with respect to such Token Holders.
Company Legal Counsel	Winston & Strawn LLP

Auditor	Lavin, Lofgren, Morris & Engelberg, LLC
Placement Agent and Broker of Record	tZERO Securities, LLC ("tZERO"), the broker of record in connection with the Offering, will receive 2% of the gross proceeds of the Offering, and a consulting fee of $20,000 to be included as part of the O&O Expenses. The Company also agreed to pay tZERO's expenses and to indemnify tZERO from all claims in connection with the Offering. The Company has also engaged tZERO as its non-exclusive placement agent with respect to the Offering. In this role, tZERO will receive 4% of the gross proceeds with respect to subscription proceeds received as a result of tZERO's referral or introduction, and a consulting fee of $5,000 to be included as part of the O&O Expenses. tZERO may add other broker-dealers as co-placement agents to assist with the Offering or assign its role as placement agent and broker-dealer of record to another broker-dealer.
Co-Placement Agent	The Company has engaged Castle Placement, LLC ("Castle") as a co-placement agent with respect to the Offering. Castle will receive 2% of the gross proceeds of the Offering. Castle will receive the same compensation that is received by tZERO with respect to subscription proceeds received as a result of tZERO's referral and introduction.
Escrow Agent	The Company has engaged tZERO Securities, LLC, a U.S. Securities and Exchange Commission registered broker-dealer and member of FINRA and SIPC to act as the Company's escrow agent for this Offering (together with permitted assignees, the "Escrow Agent"). The Company will pay the Escrow Agent a $1,000 fee for its service for this Offering. If the Offering is terminated without a closing as set forth herein or if the Company does not accept some or all of the investor's subscription, such monies will be returned promptly to the investor by the Escrow Agent, without deduction and without interest. (see Section IV "How To Subscribe"). tZERO Securities, LLC may assign its role as escrow agent to another broker-dealer legally able to act as escrow agent for the Offering.
Potential Secondary Tarding Solely through tZERO Securities	For the Company's Tokens to be eligible to be quoted on tZERO Securities' alternative trading system ("ATS") following all applicable regulatory lock ups and holdings periods, the Company will pay tZERO Securities a $10,000 initial due diligence fee to be included as part of the O&O expenses; a $40,000 risk review fee due upon tZERO Securities' notice that the initial diligence review is complete and a preliminary determination is made that neither Company nor its Tokens represent an inordinate risk to tZERO Securities' ATS or its subscribers; and a $20,000 confirmatory due diligence fee due each year thereafter. The Company's investors will be subject to certain fees for all executions on tZERO Securities' ATS. Fees and transaction charges imposed by tZERO Securities' ATS may change from time to time in accordance with the practices of tZERO Securities' ATS.

VII. INVESTMENT OBJECTIVES AND STRATEGY

INVESTMENT OBJECTIVES

The Company's primary investment objectives are to:

- preserve and return investors' capital;
- generate current income, long-term growth and distributions to investors; and
- realize growth in the value of the Company's investments.

INVESTMENT STRATEGY OVERVIEW

If the Company achieves raising six million dollars ($6,000,000) then the Company will make the 80% investment in Cortona. The Company plans to reposition and actively manage the Property located in Italy. The Company will not invest in Cortona until it is able to purchase 80 % of Cortona. The Company will primarily seek to reposition and actively manage in order to stabilize occupancy, generate current income and produce long-term growth.

The Managing Members believes that the Company's investment strategy will provide the following benefits to the Company:

- An investment in a full-service destination resort in a highly desirable location at well below replacement cost.
- An opportunity to realize above average annual cash on cash returns.
- Investment in an appreciating real estate asset in a location with high barriers to additional competition
- An opportunity for the individual token holders to enjoy the resort and its amenities at a discounted price.

TARGET MARKET

Tuscany National Resort & Club is a 4+ star luxury resort that offers an elevated golf, spa, and hospitality experience in the enchanting Tuscany Region of Italy ("Tuscany National"). Our resort has been designed to cater to a diverse global audience who value the blend of culture, natural splendor, and exceptional amenities. Our guests include travel enthusiasts, golfers, wellness seekers, culinary aficionados, and culture enthusiasts who appreciate the finer things in life.

FORM OF OWNERSHIP

The Company plans to acquire 80% of Cortona and Cortona will make an investment in the Property that will generally take the form of fee simple. Investors shall acquire preferred equity ownership in the Company and shall become members of the Company. Investors will have no direct rights towards Cortona nor the Property.

Leverage

Assuming the Maximum Offering is raised, the Company intends to purchase a debt owed to Banca Intesa in the approximate amount of €12,000,000 ($12,987,120.00 as of March 27, 2024) for €4,500,000 ($4,870,183.50 as of March 27, 2024). The Company will assume a restructured debt in the approximate amount of €7,000,000 ($7,576,191.00 as of March 27, 2024) debt from Banco Populare Sondrio. In addition, the Company will borrow €5,600,000 ($6,061,260.80 as of March 27, 2024) from Credito Sportivo, a quasi-Italian Government agency for the completion of the golf course and golf clubhouse. The total Company indebtedness will total €12,600,000 ($13,637,723.40 as of March 27, 2024) in addition to the $20,000,000 in preferred equity contributed to the Offering will result in a leverage ratio of 40.6% (with Euro conversion).

Exit Strategy and Disposition Policies

Cortona expects to sell the Property and its resort operation in seven to ten years. The disposition of the Property is projected to be at a capitalization rate of 5.5% or better of trailing net operating income. At disposition it is projected that all debts will be paid with 80% of the remaining proceeds to be distributed to the Company which will then be distributed to the Token Holders.

VIII. RATIONALE FOR PROPERTY ACQUISITION AND POSITION STRATEGY

OVERVIEW

The Property is located at Loc. Manzano, 52044 Cortona (AR), Italy. Cortona is a 3,000 year old city in the Tuscany Region of Italy which was made famous by the movie adaptation of the book written by Frances Mayes Under the Tuscan Sun**.** The Resort has been designed as a small central core (about 12 acres) of the complex, like an island surrounded by greens of the golf course, the vineyards and the Tuscan landscape. Tuscany National will be the first golf resort in Cortona. It will cover about 200 acres and will include an 18-hole championship golf course designed by Gary Player Design. Cortona is located 46 miles from Siena, 72 miles from Florence and 126 miles from Rome. The Property includes the following:

- Approximately 200 acres of land.
- Gary Player Signature Golf Course (9 holes of which is complete with 9 holes remaining to be constructed and grown in).
- Golf course maintenance facility - This building is approximately 50% complete.
- Golf Clubhouse - This building remains to be designed and constructed.
- Main hotel building with 40 guest rooms and suites, full-service Spa, indoor swimming pool, outdoor swimming pool, restaurant, lounge, roof top lounge, meeting rooms, back of the house areas, lobby and surface parking. The main hotel building is essentially complete and equipped.
- Casa Medici building (adjacent to main hotel building but not connected) - Casa Medici is an existing building that was on the site that is being converted to 7 suites. This building is approximately 50% complete.
- 13 two-bedroom two bath "Borgo" apartment units averaging 86 sq. meters each. These units are 99% complete and equipped.
- 7 three-bedroom three bath single family villas averaging 163 sq. meters each. These units are 99% complete and equipped.
- 4 three-bedroom three bath duplex villas averaging 125 sq. meters each. These units are 99% complete and equipped.
- A five-bedroom five bath villa, Villa Scarpocchi, of 360 sq. meters. Villa Scarpocchi is 99% complete but remains to be equipped.
- Internal roads, sidewalks and gardens. Final paving, planting and site lighting remain to be finished. This work is approximately 80% complete.

Acquisition Rational

To acquire and operate a quality resort/golf destination in Italy which is one of the most visited countries in the world with more than 65 million annual visitors and with over 22 million of those visitors to Italy going to the Tuscany region., the location of the Property.

The Managing Members believe that Italy has a tremendous opportunity for the growth of golf. It is a country that has only 256 golf courses for a population of approximately 60 million or about one golf course for each 250,000 residents. By contrast, the United States has 15,500 golf courses or about one golf course for each 23,000 residents.

Additionally, Italy has traditionally had very high barriers to development activity given caution by the authorities to not disturb Italy's history. These development barriers will, in the view of the Managing Members, be accretive to the Property's value over time.

Position Strategy

The Managing Members expect to affiliate the Property with Preferred Hotels & Resorts ("Preferred") to become part of Preferred's iconic 650 worldwide independent hotel and resort destinations across more than 85 countries. As such the Property will be a boutique luxury destination attracting travelers from all over the world as well as the local Italian population.

IX. MANAGEMENT OF THE COMPANY

OVERVIEW

The Managing Members will manage the Company's day-to-day operations and will be ultimately responsible for all aspects of the Company's strategy, execution and governance.

Mike Frost

Mike Frost founded Buena Vista Hospitality Group in 1986. Under his leadership, BVHG has grown into one of the leading hospitality and golf management companies worldwide. Mike and the partners of Buena Vista Hospitality Group have provided development services, as well as pre-opening, marketing and consulting services for over fifty projects. These projects range from luxurious convention and meeting destination resorts, urban commercial resorts, hotel condominiums, beach front resorts, spa and golf resorts to residential golf communities.

Prior to forming BVHG, Mike was one of the Principals of Shimberg, Kennedy and Frost ("SKF") where he headed the company's hotel group, acquiring, managing and developing properties. SKF acquired its first hotel in 1975 which was the Hotel Royal Plaza on leased land in Walt Disney World.

The success of the Royal Plaza was instrumental in the Walt Disney Company granting Frost's group a new land lease in 1979 for the development of the first new hotel inside Walt Disney World since the original group of hotels was built in 1970-1973. This hotel became the 1028 room Buena Vista Palace Resort & Spa developed by a team led by Mike in joint venture with Equitable Life. Frost led the management team for the joint venture over the 20 years of ownership.

Prior to Mike's real estate/hospitality career he was in the investment banking business with DuPont Glore Forgan. He holds a degree in Economics from Northwestern University. Mike is a licensed Real Estate Broker. He has served in boards of the University of Tampa, the Gulf Ridge Council of the Boy Scouts of America and the Tampa/Hillsborough Convention and Visitors Association as well as the Florida Aquarium. Mike is married with three grown children and eight grandchildren.

Scott Brown

Scott Brown, the Founder and CEO of Park Street Development Group, has been a prominent figure in the hotel development industry since 2005. With a strategic mindset and a talent for cultivating strong partnerships, Mr. Brown established early connections with leading hotel brands. His astute analysis and rigorous research efforts culminated in a highly successful partnership with Hyatt for his inaugural hotel ventures.

Mr. Brown has demonstrated remarkable resilience and exceptional business acumen, skillfully navigating the challenging landscape of the 2008 financial crisis. Under his steadfast leadership, Park Street expanded its portfolio in California, exemplifying his ability to prosper in volatile economic environments. During the downturn, Mr. Brown strategically restructured Park Street, merging it with a top-tier general contractor renowned for their excellence in full-service and select-service hotel construction, as well as luxury multi-family residential development. Today, the company stands as a testament to Mr. Brown's foresight, successfully building a development, construction, and management business.

Before his tenure at Park Street, Mr. Brown established a distinguished career in private banking at Merrill Lynch, Pierce, Fenner & Smith. Over the course of nine years, he raised over $2 billion in new assets for the Private Bank & Investment Group, overseeing the allocation and management of these assets.

Mr. Brown's international experience is equally noteworthy, having served as the operations manager for Columbia Sportswear Australasia in Australia and New Zealand. This four-year experience honed his global business perspective and operational expertise.

As the leader of Park Street, Mr. Brown not only serves as the strategic driving force behind the company's day-to-day operations and actively seeks out new development opportunities while managing and overseeing operations for the company.

THE ADVISORY BOARD

Overview

The Managing Members will be advised on the Company's activities by the Advisory Board. The Advisory Board will include the following Managing Members:

THE ADVISORY BOARD

Bob Eaton - Founder Eaton Hotel Investments

Prior to forming Eaton Hotel Investments, Mr. Eaton headed PKF Capital and Colliers International Hotels, based in San Francisco. He was responsible for all hotel and resort property transactions in the United States, with an emphasis on California and the southwestern United States.

Prior to taking the leadership role at PKF, Mr. Eaton spent eighteen years as Managing Director for Colliers International Hotels.

Prior to Colliers, he spent Fifteen years in a variety of roles gaining Marketing, Finance, and Development expertise in the Lodging and Real Estate industries. He has worked on behalf of hotel companies, private owners, developers and others.

Mr. Eaton's specialized experience includes the following:

- Eighteen years of marketing hotel investment opportunities with Colliers resulting in over $2 Billion in hotel transactions.
- Ten years of consulting with Laventhol & Horwath in Los Angeles and San Francisco.
- Development and entitlement of Bay Area hotel sites.
- Sales and marketing of the Hyatt Regency San Francisco.

Mr. Eaton's responsibilities with Colliers International Hotels Division included marketing a wide range of property types and unique engagements with a variety of Owner/Clients. The Colliers International Hotels Division specialized in representing owners on an exclusive basis, in the marketing for sale of their hotel and resort assets. As a consultant to the lodging industry, Mr. Eaton was involved in all aspects of hotel ownership, such as structuring and arranging appropriate financing for development and acquisitions, as well as positioning hotels to be sold. As part of a franchise hotel development team, Mr. Eaton was responsible for all project economics and acted as liaison to an affiliated management company.

Mr. Eaton is a graduate of the School of Hotel Administration at Washington State University and holds a California Real Estate Broker license. He served on the advisory board of the School of Hospitality Management at the University of San Francisco and was a member of the International Society of Hospitality Consultants. He is currently on the Advisory Board of the Recreation and Tourism Administration program at Cal Poly University in San Luis Obispo.

Colin Wright - Executive Vice President Buena Vista Hospitality Group

Colin Wright has a career of 40 years in the Hospitality Industry specializing in the development and operation of hotels, resorts golf courses and spas in the United States, the UK and various parts of Europe.

Prior to joining BVHG in 1999 he managed the operation of the Resort and Golf functions of PGA National in Palm Beach Gardens, Florida. He was General Chairman for the Ryder Cup in 1983 the PGA Championship in 1985 and the PGA Senior Championship for 19 consecutive years.

He was a member of the Executive Committee which oversaw the development of the 360-room resort, five golf courses and the marketing and sales of over 4500 residential properties.

He was President and CEO of PGA National's Resort and Golf Management Company in the US and in Europe. Mr. Wright served as Director and General Manager of the ADDA International Hotel Group in London, directing the operation of 11 hotels in London, Amsterdam and Paris. He also managed hotels and restaurants for London-based Taylorplan Systems.

Mr. Wright has served as Vice Chairman of the Tourist Development Council in Palm Beach County, Florida and as Chairman of the Palm Beach County Film Commission. He was appointed as a Commissioner on the State of Florida Tourism Commission and was appointed by the Governor to represent the State of Florida on President Clinton's White House Conference on Tourism.

He is a former Chairman of the Northern Palm Beaches Chamber of Commerce and the State College Foundation Board of Directors.

Chad Martin - Vice President Buena Vista Hospitality Group

Chad Martin is responsible for the development and implementation of marketing strategies for BVHG's hotels and resorts.

Mr. Martin has been involved in the development of a number of large projects in the hospitality, retail and entertainment industries for over 40 years.

He has worked on such projects as Church Street Station, Pointe Orlando, Rank/Hard Rock Cafes, Uptown Altamonte and Atlantic Station, in Atlanta Georgia.

Mr. Martin is a past President of Visit Orlando and the International Drive Chamber of Commerce. He also served as chairman of the Orange County History Center and served as the Chairman of the Hotel Sales and Marketing Foundation

Florian Morel - Vice President Buena Vista Hospitality Group

Mr. Morel began his career in food and beverage at the Beau Rivage Hotel in Lausanne, Switzerland. He joined BVHG in 1982 and is a partner and Vice President of BVHG primarily responsible for food and beverage operations for BVHG properties. Prior assignments with BVHG include the General Manager of Chateau Cartier Hotel, Spa and Golf Resort in Aylmer, Canada and General Manager of LPGA international in Daytona Beach. Mr. Morel is a Advanced Sommelier and Certified Hotel Administrator.

Armando Branchini – Italian Advisor to Park Street Tuscany, LLC

Having been working about 40 years in the Fashion and Luxury business, always in top positions, Armando has a deep understanding of the international trade, business models, business rules, mega and micro trends, innovations, Armando Branchini has got a very positive reputation worldwide among the key people of the Fashion and Luxury industry. Armando Branchini has supported Maurizio Gucci in the relaunch of Gucci, defining the new strategic brand management.
Armando has been consulting companies of the likes of SanPellegrino, Illycaffè, Brioni, Gucci, Bottega Veneta, Gianni Versace, Ermenegildo Zegna, Ralph Lauren, Cross, Helena Rubinstein. Armando Branchini has been a

member of the Board of Directors or of the Advisory Board of Brioni, Gucci, Natuzzi, SanPellegrino and is currently a member of the Board of Cantine Ferrari. Armando was one of the three founders of the Fashion Week in Milan.

In 1992 Armando Branchini co-created Fondazione Altagamma, the body representing the Italian Luxury companies and brands. Armando is Honorary Executive Director of Altagamma, after being Vice Chairman for seven years till Dec. 31st, 2019 and after being Secretary General and Executive Director from 1992 through 2012.

In 2010 Armando was a co-founder of ECCIA – European Cultural and Creative Industries Alliance, based in Brussels, Belgium, and representing about 500 European Luxury companies. Armando was appointed Founding Chairman of ECCIA in the years 2011-13 and then a Board Member till recently. Michael Ward, CEO of Harrods, Guillaume de Seynes, Vice Chairman of Hermés, Carlos Falcò, Chairman of Marques de Grignon, Andreas Kaufmann, Chairman of Leica Camera and Matteo Lunelli, CEO of Cantine Ferrari have been Armando's successors at the head of ECCIA. In September 2019 Armando was appointed Strategic Advisor of EY Parthenon in the Fashion, Luxury and Retail European Practice

MANAGING MEMBERS' CAPABILITIES

The Company's, Buena Vista Hospitality Group (BVHG) and Park Street Development Group (PSDG) current project activities and past project experience is as follows:

CURRENT ACTIVITIES

Hollywood Park Hotel- BVHG & PSDG is part of the ownership/development team chosen by the Kroenke Organization to develop, own, and operate the featured hotel inside Hollywood Park in Los Angeles. Hollywood Park is a 243-acre mixed-use development that the new SoFi Stadium anchors. The stadium is the home to the Los Angeles Rams and the Los Angeles Chargers of the National Football League. The hotel will feature 300 luxury rooms and suites. Completion of the $250 million project is scheduled for mid-2026.

Hunter Ranch- BVHG & PSDG is part of the ownership group, expanding the existing Hunter Ranch Golf Course property in Paso Robles, CA, to include 402 hospitality units, a spa and wellness facility, and related back-of-the-house and common area spaces. The present property encompasses 204 acres and includes the following improvements: an 18-hole golf course, restaurant/lounge, pro/retail shop, slightly more than 100 existing parking spaces at the entry to the course, maintenance building, wedding/meeting facility, lockers/restrooms, back of house offices and a recently completed solar carport. The design character of the existing improvements is referenced as ranch-craftsman, and the proposed architecture will encompass similar details and materials. The first phase of the expansion will begin in mid-2024.

Tuscany National Resort & Club- BVHG & PSDG have agreed with the owners of the Tuscany National Resort & Club in Cortona, Italy, to purchase and provide services to complete the construction, open, and operate this 72-unit luxury golf and spa resort. The project includes a Gary Player Signature Golf Course, for which nine holes have been completed, with the remaining nine holes to be constructed. The resort will be completed in the third quarter of 2024.

Boca Royale Golf & Country Club- BVHG has been engaged to operate this Golf and Country Club in Inglewood, Florida, by its owners. The Club features an eighteen-hole championship golf course, 10 tennis courts, 8 pickleball courts, a fitness facility, and a 19,000 sq. ft. clubhouse inside a gated residential community of 1,000 homes.

Daytona Grande Beach Resort & Condos- In 2013, BVHG was engaged by the Lysich family of St. Petersburg, Russia, to provide development services for this oceanfront $168 million development in Daytona Beach, a short distance from the Ocean Center convention complex. The project will include a 502-room luxury resort and 164 residential condominiums in two towers, and an 800-space structured parking facility. BVHG has taken the project through design and permitting. Construction began in February 2017, and the hotel was completed in April 2021. The project has signed an affiliation agreement with Preferred Hotels & Resorts. BVHG continues to act as a consultant to the owner on the condominium development.

Fortune Health Resort- In 2005, BVHG was engaged to do the initial planning for the Fortune Health Resort. However, the project had to be set aside during the financial crisis. The project has now been restarted, and in 2017, BVHG was engaged by the project's owner, Fortune Health Resorts Ltd., to develop, market, brand, and operate this mixed-use destination residential health and wellness-oriented resort on a 175-acre site in Cyprus. The project will be branded as the Buena Vista Health & Wellness Resort, and the first phase will include a resort hotel, resort village, spa & fitness center, recreational and commercial areas, and residential. Opening of the core elements is anticipated in mid-2026.

PAST EXPERIENCE

Hotel Royal Plaza- The Royal Plaza was a 400-room hotel in Walt Disney World and was the first hotel acquired by BVHG in 1975. The hotel was acquired from a lender who had taken the property back from a bankrupt borrower. The hotel was classified as a 2-star motor inn in 1975. BVHG resurrected the property, securing a coveted Mobil 4-star rating in 1984. The project was sold in 1986 in anticipation of the changes in the capital gains rate in the 1986 Tax Reform Act.

The Buena Vista Palace Resort & Spa- The success that BVHG achieved with the Hotel Royal Plaza prompted the Walt Disney Company in 1980 to give BVHG the right to develop the first new hotel on Walt Disney property since the original group of hotels were developed along with the Disney Theme Park in the early 1970's. BVHG entered into a joint venture with Equitable Life to develop and own the Palace. The 1028 room Palace opened in 1983. With its 90,000 sq. ft. of meeting and convention space, the Palace was one of the top destination meetings resorts in the world. The Palace was inducted into the Meetings & Conventions Hall of Fame in 1990. The Palace was sold by the joint venture in December 1998 to Patriot American. BVHG was retained to manage the Palace until 2002 when Patriot American acquired the Wyndham hotel company.

PGA National Resort and Spa- After BVHG principal, Colin Wright, spent 5 years heading up the 4500-acre Sapphire Valley resort and real estate development in Cashiers, NC, he joined E. Llwyd Ecclestone in the late 1970s when he was starting development of PGA National in Palm Beach Gardens, Florida. Colin became the President of PGA National, which was a 2400-acre PUD approved for a 365 key hotel, four golf courses, and 6000 residential units. The resort opened in 1981 and is managed by Sheraton. The Sheraton management and branding did not produce the results desired, and ownership was eventually able to terminate the arrangement in 1989. BVHG was hired to manage the resort at that time, and the resort was rebranded as an independent PGA National Resort, turning the previous 8 years of hotel losses into a profitable business. The resort's golf courses, designed by Tom and George Fazio, Jack Nicklaus and Arnold Palmer have hosted a large number of Professional golf tournaments including the 1983 Ryder Cup the 1987 PGA Championship and 18 PGA Senior Championships. In 1992 a state-of-the-art Spa was built adjacent to the Resort hotel and a separate clubhouse for the club membership. BVHG managed the resort until 1999, when all the residential real estate, together with 700,000 square feet of commercial and retail space, was sold.

Snowmass Club- BVHG & PSDG purchased the Snowmass Club in Snowmass, Colorado in 2018. Snowmass Club is a private members club that features a championship 18-hole Jim Engh-designed Irish links signature course, a 19,000 sq. ft. state-of-the-art fitness facility with indoor and outdoor hot tubs, men's and women's locker rooms with steam rooms, saunas, and cold plunge pools. The Club also features 3 outdoor year-round pools, three restaurants and lounges and 11 outdoor and 2 indoor Har-Tru tennis courts. BVHG managed the Club's operations until its sale in 2020.

The Lodge and Bath Club at Ponte Vedra Beach- BVHG developed and operated the Lodge and Bath Club for a private ownership group beginning in 1987. The property is a 66-room luxury boutique oceanfront resort in Ponte Vedra Beach, FL. BVHG operated the property for 10 years until its sale to Gates Petroleum in 1997. The property was named a Conde Nast Gold Resort as one of the top 50 international resort properties in 1993.

The Lakeway Community- Lakeway is a 5,000-acre residential and resort community in Austin, Texas. This project has three golf courses, including the "Hills," a Jack Nicklaus signature course consistently ranked as the second-best in Texas. The project also included a major indoor and outdoor tennis complex, an airport, two private membership

clubs, and a large marina on Lake Travis. BVHG managed this facility for a subsidiary of NCNB Texas under an asset management arrangement with the FDIC for five years until its sale to the Perot family in 1995.

East Hampton Golf Club- In 1995, BVHG was hired by Credit Suisse to complete the development and set up the operation and membership program for this exclusive private equity membership golf club in East Hampton, Long Island, New York. Memberships are limited to 250 individuals. The starting membership deposit was $260,000. BVHG arranged for a new ownership group, of which BVHG principals were a part, to purchase the project from Credit Suisse. BVHG principals sold their minority interest in the golf club to the majority owner in 2015.

Hamilton Farm Golf Club- In 1996 BVHG was engaged by Enron Corporation to complete Enron's corporately owned exclusive golf retreat and to convert it from a corporate facility to an exclusive private golf club. BVHG completed the club and set up the membership program with a starting membership price of $275,000. The club was sold to a private owner from Baltimore in 1998.

Lodge at Rocky Gap- the State of Maryland engaged BVHG to develop and operate a new 220 room resort facility and Jack Nicklaus Signature Golf Course in the State's Rocky Gap State Park in 1988. BVHG developed the resort and golf course over about 30 months. BVHG opened and operated the property until the state sold it to casino interests in 1995.

Tucker's Point- private owners engaged BVHG in 2001 to provide development services during the conversion of Bermuda's Marriott Castle Harbour Resort into the new Tucker's Point Club. BVHG oversaw the golf course reconstruction, the Marriott hotel's demolition, and the development of the new clubhouse and fractional ownership villas.

Chateau Cartier Hotel & Golf Resort- BVHG arranged for the purchase and was part of the ownership group and managed this elegant 129-room French Chateau-styled hotel, with its conference center and 18-hole championship golf course situated on 125 acres in Aylmer, Quebec, within minutes of Ottawa, Canada's capital city from 1997 until its sale in late 2007.

Arnold Palmer's Isleworth Community- BVHG acted as receiver and manager for this 820-acre prestigious residential community on behalf of Mellon Bank beginning in 1996. Famous for having been the home of Tiger Woods, the project includes an 18-hole golf course, tennis facility and exclusive private membership club. BVHG restarted the real estate sales and membership program that had been suspended during the legal proceedings. The project was sold after Mellon Bank's foreclosure in 1998.

Old Palm Golf Club- In early 2010, BVHG was engaged by ING Clarion and their Irish equity partners to conduct the acquisition due diligence and recreate the operational, membership, and real estate marketing program for this exclusive private residential golf club community located on PGA Boulevard in Palm Beach Gardens, Florida. Homes in Old Palm range from a low of $1.2 million to more than $15 million and the membership deposits were priced at $175,000. BVHG provided its services until the project was stabilized at the end of August 2011.

Lakeland Terrace Hotel- BVHG was engaged in 1999 by private owners, which included the Publix grocery family, to oversee the redevelopment of the Lakeland Terrace Hotel in downtown Lakeland, FL. This 88-room property is on the Historic Registry, and the redevelopment had to comply with that designation. BVHG completed the redevelopment and operated the hotel until its sale in 2009.

PGA International Resort-Savernake Club- Starting in 2000, BVHG directed the planning process over eight years to develop a luxury golf resort in Wiltshire, England, on the leasehold estate of this 400-acre project owned by the Earl of Cardigan. Final planning permissions were received in mid-2008, but due to the financial crisis, development plans had to be put on hold. Subsequently, the Earl of Cardigan's estate lost control of their property through a dispute with the Estate's Trustees.

TPC Cancun (La Roca Country Club)- BVHG was part of the ownership group along with Spanish partners that, starting in 2000, created the project and managed the planning and permitting process for 36 holes of golf and the residential community in Cancun, Mexico. Nick Price designed one course, and Tom Fazio designed the other. Both courses were licensed as Tournament Player Courses by the Touring Professionals organization. The surrounding gated residential community was scheduled for 1700 homes. The project was sold to a Mexican development company in 2007.

Hyatt Place Carlsbad/Vista, CA- PSDG built, owned, and operated the Hyatt Place Vista/Carlsbad in San Diego County in 2011-2012. The hotel is four stories and consists of 150 guestrooms. Hyatt Place Vista, California, had a

groundbreaking in January of 2011 and was constructed and operated with all equity and no debt on the project. This is a leading market in Southern California and one of the top Occupancy markets in the United States. The total project duration from groundbreaking to sale was 3 years and 10 months.

Hyatt Place Roseville, CA- PSDG built, owned, and asset managed the Hyatt Place Roseville, near Sacramento, California. The hotel is six stories and consists of 151 guestrooms. Hyatt Place Roseville, California, had a groundbreaking in January 2009 and was opened in 2010. The total project duration from groundbreaking to sale was nine years and 8 months.

Mosaic Miami Beach, FL- PSDG and its construction partners built Mosaic @ Miami Beach, which was developed as a luxury condominium in Miami, Florida. Mosaic is an 18 to 21-story, 91-unit condominium Designed by Miami architects Fullerton & Diaz. The sell-through and sell-out of the asset were achieved over three years.

Deering Bay, Coral Gables, FL- PSDG and its construction partners built Deering Bay as a master-planned mixed-use community in Coral Gables, Florida, that included an Arnold Palmer-designed Golf Course, a mix of single-family Residential, luxury Condominium, and a full-service marina. The three remaining luxury high-rise Condominiums were developed and sold out over five years when the community was turned over to the Homeowners Association.

Deering Bay, Coral Gables, FL- PSDG and its construction partners built The Resort at Singer Island. The project comprised 66 Luxury Condominiums and 239 Hotel-Condominium guestrooms & suites and was developed under the Starwood Luxury Collection brand of hotels. Located along the sands of the South Florida Atlantic Coast, the development was considered one of the most ambitious and ultimately most successful on the Island at completion.

Other Projects for which BVHG has Provided Management and/or Development Services

- Four Points by Sheraton Studio City, Orlando
- LPGA International, Daytona Beach, Florida
- Vista Club Hotel, Orlando, Florida
- Quality Suites, Orlando, Florida
- Quality Inn & Suites, Tampa, Florida
- Old Town Suites, Orlando, Fla
- International Plaza Resort & Spa- Orlando
- Holiday Inn SunSpree, Orlando, Florida
- Pelican Pointe Golf & Country Club, Venice, Florida
- Travelodge-Sleepy Bear Hotel, Orlando, Florida
- Elkhorn Resort, Golf Club & Spa, Sun Valley, Idaho
- Steele Canyon residential golf community- San Diego, California
- Spanish Hills Golf & Country Club, Camarillo, California
- WestWinds residential golf community, Frederick, Maryland
- River Wilderness residential golf community, Parrish, Florida
- Seabrook Island Resort, St. Johns Island, South Carolina

X. RISK FACTORS

Investment in the Company entails a high degree of risk and is suitable only for sophisticated investors who fully understand and are capable of bearing the risks of an investment in the Company. Prospective investors should carefully consider the following risk factors, among others, in determining whether an investment in the Company is a suitable investment. The following description of the risks associated with an investment in the Company is not, and is not intended to be, exhaustive. An investment in the Company may be subject to risks not described in this Memorandum. There can be no assurance that the Company will be able to achieve its investment objectives.

GENERAL INVESTMENT RISKS

Lack of Operating History; No Assurance that Investment Objectives will be Achieved

Although the principals and other key personnel of the Managing Members have extensive experience investing in and managing the types of properties which the Company intends to invest in, the Company and the Managing Members are newly formed entities and, consequently, have no operating history upon which potential investors may evaluate their performance. As a result, an investment in the Company may entail more risk than an investment in a company with a substantial operating history. Further, there can be no assurance that the Company's management will be able to successfully implement the investment objectives of the Company or that the Company will achieve targeted returns.

None of the Company, the Managing Members, the Advisory Board, nor the Members, management of the Company, or tZERO Securities, LLC have made any recommendation regarding your investment in the offing; you must rely on your own examination of the offering and its merits.

None of the Company, the Managing Members, the Advisory Board, the Members, management of the Company or tZERO Securities, LLC nor any person or entity working on their behalf is making any recommendation regarding whether you should participate in the offering. See *Section XI Conflicts of Interest*. You should make your own decision whether and how to participate in the offering based upon a number of factors, including several factors that may be personal to you, such as your financial position, your need or desire for liquidity, other financial opportunities available to you, your tax position, and the tax consequences to you of acquiring any Tokens. You are encouraged to carefully review this offering and the other offering materials available to you and to seek advice from your independent lawyer, tax advisor, and financial advisor with respect to your particular circumstances before deciding whether to participate in the offering.

Reliance on Key Management Personnel

The success of the Company will depend, in large part, upon the skill and expertise of the key persons described in "Management of the Company." These individuals are under no contractual obligation to remain with the Managing Members and are not required to devote all of their time to the Managing Members' or the Company's affairs. Any of these individuals could be difficult to replace, and if the Managing Members were to lose the services of any of these key personnel, the financial condition and operations of the Company could be materially adversely affected. There can be no assurance that the services of these key personnel will continue to be available to the Managing Members or the Company throughout the Company's term.

No Right to Control the Company's Operations

Token Holders have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Company and must rely entirely on the Managing Members to conduct and manage the affairs of the Company. In the limited areas where the Token Holders have the right to consent to or to take certain actions, the Token Holders generally vote on all matters on a combined basis as set forth in the LLCA.

No Opportunity to Evaluate Investments

The Company does not have any assets and the Property that will form the Company's portfolio have not been specifically identified. As a result, investors in the Company will not have an opportunity to evaluate for themselves

the relevant economic, financial and other information regarding future investments to be made by the Company and, accordingly, will be dependent upon the judgment and ability of the Managing Members in investing and managing the capital of the Company. Unspecified transactions create uncertainty and risk because there can be no assurance that the Company will be able to locate and acquire investments meeting its objectives. Competition for unspecified assets may also result in the Company acquiring assets on less favorable terms than expected.

Substantial Competition for Suitable Investments

The activity of identifying, completing and realizing on appropriate investments is highly competitive and involves a high degree of uncertainty, and the availability of investment opportunities will be subject to market conditions. The current marketplace contains a number of investors that focus on the investments targeted by the Company, creating a highly competitive environment for such investments. As a result, there can be no assurance that the Managing Members will be able to identify and complete investments that meet the Company's investment objectives or that the Managing Members will be able to invest the Company's available capital. The Company will be competing for investments with many other parties with substantial resources and relevant experience, including real estate investment vehicles, individuals, operating companies, financial institutions (such as REITs, mortgage banks, pension funds and real estate operating companies) and other institutional investors. These entities that have substantially greater financial and other resources than the Company and may be able to accept more risk than the Company can prudently manage. In addition, larger entities may enjoy significant competitive advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies.

Any auction transactions in which the Company participates will also involve an increased level of upward pressure on the price of a transaction, because of the competitive nature of the auction process. It is possible that existing levels of competition for appropriate and attractive investment opportunities may increase further in the future, thus reducing the number of investment opportunities available to the Company or adversely affecting the terms upon which investments can be made. Investment returns may be diminished as a result of substantial competition for suitable investments. The Company may incur bid, due diligence and other costs which may not be recovered, due to substantial competition for the associated investment opportunity or otherwise. There can be no assurance that the Company will be able to locate and acquire investments that satisfy the Company's investment criteria and rate of return objectives or realize their full value or that it will be able to fully invest its available capital. Furthermore, a lack of identified, suitable investments with favorable terms may cause capital commitments to be not fully utilized.

Past Performance is not Necessarily Indicative of Future Performance

The prior performance of any other investment programs or vehicles sponsored, managed or advised by the Managing Members and their affiliates is not necessarily indicative of the Company's future results. Prior experience is not a guarantee of the performance of the Company and there can be no assurance that the Company will achieve returns comparable to any such historical performance described in this Memorandum. It is possible that significant disruptions in, or historically unprecedented effects on, the financial markets or the assets in which the Company invests in may occur, which could diminish the relevance any historical performance data shown in this Memorandum will have to the future performance of the Company. In addition, different entities and persons may be performing different roles and devoting different levels of attention to the Company as compared to the prior transactions described with respect to their prior experiences.

Restrictions on Transfer and No Voluntary Withdrawal

THE TOKENS HAVE NOT BEE REGISTERED UNDER THE SECURITEIS ACT OR ANY STATE SECURITIES LAW AND WILL CONSTITUTE "RISTRICTED SECURITIES". THE TOKENS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY, NOR HAS ANY SUCH REGULATORY BODY REVIEWED THIS OFFERING MEMORANDUM FOR ACCURACY OR COMPLETENESS. BECAUSE THESE SECURITIES HAVE NOT BEEN SO REGISTERED, THERE MAY BE RESTRICTIONS ON THEIR TRANSFERABILITY OR RESALE BY AN INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT HE MUST BEAR THE ECONOMIC RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SECURITIES MAY NOT BE SOLD UNLESS, AMONG OTHER THINGS, THEY ARE SUBSEQUENTLY REGISTERED UNDER THE APPLICABLE SECURITIES ACTS OR AN

EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

THERE IS NO TRADING MARKET FOR THE COMPANY'S TOKENS AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE TOKENS WILL BE ACCEPTED FOR INCLUSION ON NASDAQ, ALTERNATIVE TRADING SYSTEM (ATS) OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE. THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE TOKENS PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE TOKENS IS BEING UNDERTAKEN PURSUANT TO RULE 506 (C) OF REGULATION D UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE TOKENS, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SECURITIES TO WHICH THE CONFIDENTIAL TERM SHEET RELATES HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

No Assurance of Investment Return

There can be no assurance or guarantee that the Company will be able to choose, acquire, and realize the value of investments. There can be no assurance that the Company will be able to generate returns for the Token Holders or that the returns will be commensurate with the risks of investing in the type of assets and transactions described herein. There can be no assurance that any Token Holder will receive any distribution from the Company. Accordingly, an investment in the Company should only be considered by persons who can afford a loss of their entire investment. The Company is targeting an initial closing date to occur in the second quarter of 2024 (which date may be changed at the discretion of the Company) (the "First Closing"). Subsequent closings may be held at the discretion of the Company thereafter. Following the First Closing, the offering will remain upon until such time as (i) the date on which the Company conducts a closing which results in its raising the Maximum Offering amount or (ii) the date on which this Offering is earlier terminated by the Company, in its sole discretion. If the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum.

The Escrow Agent shall establish an account (the "Escrow Account"). The Escrow Account shall be a segregated deposit account at the bank (with any accrued interest to be for the benefit of the Escrow Agent only). The funds advanced by prospective investors as part of the subscription process will be held in the Escrow Account until either there this a closing with respect to the Tokens or upon the Escrow Account being terminated as set forth herein. Upon the occurrence of a closing, the subscription funds will be transferred from the Escrow Account to the Company, subject to the escrow agent's funds clearance policies and procedures. The subscription funds will not be transferred to the Company unless and until there is a closing.

If the Offering is terminated without a closing as set forth herein, or if the Company does not accept some or all of an investor's subscription, such monies will be promptly returned to the investor by Escrow Agent, without deduction and without interest.

Timing of Distributions

There are numerous factors that may affect the availability and timing of cash distributions to Token Holders. Distributions generally will be made in the Managing Members' discretion based upon such factors as the amount of cash available or anticipated to be available from investments in the Property, current and projected cash requirements, and tax considerations. As the Company may receive income attributable to its investments at various times during its fiscal year, distributions paid may not reflect the actual income earned in that particular distribution period. The amount of cash available for distributions will be affected by many factors, such as the Company's ability to make acquisitions as capital commitments become available and the income from the Property, as well as operating expense levels and many other variables. Actual cash available for distribution may vary substantially from estimates and from period to period.

Long-Term Investment

Investment in the Company requires a long-term commitment, with no certainty of return. Although the Company's investments may generate current cash flow, the return of capital and realization of gains, if any, from the Company's investments may only occur upon the partial or complete disposition or refinancing of such investments. Token Holders should therefore expect that they may not receive a complete return of capital for an extended period of time (if at all). Thus, an investment in the Company is not suitable for an investor who needs liquidity. It is possible that the Company may not encounter favorable financing, refinancing or sale terms for an investment, thereby reducing or eliminating the return to investors.

Illiquid Investments

The Company intends to invest in real estate for which the number of potential purchasers and sellers, if any, may be limited. In some cases, the Company may be prohibited by contract from selling investments for a period of time. In addition, the type of investment held by the Company may be such that it requires a substantial length of time to liquidate. This may limit the ability of the Company to adjust its investing strategy in response to adverse changes in the performance of investments or changes in economic or market trends.

Dependence on the Performance of the Managing Members

The Company's ability to achieve its investment objectives and to pay distributions is dependent upon the performance of the Managing Members and their affiliates, including a manager of assets (the "Asset Manager") and a manager of the Property (the "Property Manager"), and any adverse change in the financial health of the Managing Members and their affiliates could cause the Company's operations to suffer. The Managing Members and their affiliates are sensitive to trends in the general economy, as well as the commercial real estate and credit markets. To the extent that any decline in financial health impacts the performance of the Managing Members and their affiliates, the Company's financial condition and ability to pay distributions to its investors could also suffer.

Inability to Raise Substantial Funds Will Limit Number and Type of Investments

If the First Closing does not occur, the offering shall terminate on the date which is one year after the date of this Memorandum. If the offering is terminated without a closing as set forth herein or if the Company does not accept some or all of the investor's subscription, such monies will be promptly returned to the investor by Escrow Agent, without deduction and without interest. The Company's inability to raise substantial funds and make investments would also increase its fixed operating expenses as a percentage of gross income. Each of these factors could have an adverse effect on the Company's financial condition and ability to make distributions to investors.

Substantial Fees and Expenses Paid to the Managing Members and their Affiliates

A portion of the capital commitments will be used to pay fees and reimburse expenses to the Managing Members. In addition, the capital contributed by Token Holders that pays these fees and expenses will not all be invested in the Property. As a result, Token Holders will only receive a full return of their invested capital if the Company sells its assets for a sufficient amount in excess of the original purchase price.

If the Company fails to remain current on its reporting requirements, the Company could be removed from quotation on the ATS operated by tZERO Securities, which would limit the ability of broker-dealers to trade Tokens and the ability of Token Holders to sell their Tokens in the secondary market.

Rule 15c2-11, promulgated under the Securities Exchange Act of 1934, prohibits broker-dealers from publishing quotations for an issuer's security when current issuer information is not publicly available, subject to certain exceptions. Subject to any applicable exceptions, securities trading on the ATS operated by tZERO Securities must generally have current information be available for tZERO Securities to be able to publish quotations for Tokens. As a result, the market liquidity for Tokens could be severely adversely affected by limiting the ability of the ATS operated by tZERO Securities to facilitate the trading of Tokens and the ability of Token Holders to sell their Tokens

in the secondary market unless the Company makes current information regarding the Company available as required. The Company has not yet done so, and the Company may not ever be able to do so.

Tokens may be traded on the ATS operated by tZERO Securities, which may have an unfavorable impact on Token price and liquidity.

Tokens may be traded on the ATS operated by tZERO Securities. The ATS operated by tZERO Securities is a significantly more limited trading system than the national securities exchanges such as the New York Stock Exchange, or the Nasdaq stock exchange, and there are lower financial or qualitative standards that a company must meet to have its stock quoted on the ATS. The quotation and trading of Tokens on the ATS operated by tZERO Securities will result in a less liquid market and contribute to volatility. This volatility could depress the market price of Tokens for reasons unrelated to operating performance. Due to lower trading volumes, there may be a lower likelihood of your orders on the ATS operated by tZERO Securities being executed or filled.

Technology on which tZERO Securities relies for its operations may not function properly.

The technology on which tZERO Securities relies may not function properly because of internal problems or as a result of cyber-attacks or external security breaches. Any such malfunction may adversely affect the ability of Company investors to execute trades of the Tokens on the ATS operated by tZERO Securities. Moreover, since trading on the ATS operated by tZERO Securities has been limited, the ATS order matching system may not function properly in cases of increased trading volume. If the technology used by tZERO Securities does not work as anticipated, trading of Tokens could be limited or even suspended.

Even if a market develops for the Company's Tokens, the Tokens may be thinly traded with wide share price fluctuations, low share prices and minimal liquidity.

If an established market for the Company's Tokens develops, the Token price may be volatile with wide fluctuations in response to several factors, including: potential investors' anticipated feeling regarding our results of operations; increased competition; and our ability or inability to generate future revenues. In addition, the Token price may be affected by factors that are unrelated or disproportionate to the Company's operating performance. The Token price might be affected by general economic, political, and market conditions, such as recessions, interest rates, commodity prices, or international currency fluctuations. Additionally, securities traded on the ATS operated by tZERO Securities are usually thinly traded, highly volatile, and not followed by analysts. These factors, which are not under the Company's control, may have a material effect on the Token price if Tokens are quoted on the ATS operated by tZERO Securities.

The further development and acceptance of blockchain networks, which are part of a new and rapidly changing industry, as well as blockchain-based assets such as ETH, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets could have a material adverse effect on the successful development and adoption of the Tokens.

The utilization and growth of the blockchain industry is subject to a high degree of uncertainty. The factors affecting the continuing utilization and further development of the cryptocurrency industry, as well as blockchain networks, include, without limitation:

- Worldwide growth, or a decline, in the adoption and use of blockchain assets as well as the decreasing use of blockchain technology;
- Government and quasi-government regulation of ETH and other blockchain assets and their use, or restrictions on, or regulation of access to and operation of blockchain networks or similar systems, including in jurisdictions outside the United States;
- The maintenance and development of the open-source software protocol of the Ethereum Network;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using sovereign currencies (such as the U.S. dollar) or existing networks; or

- General economic conditions and the regulatory environment relating to cryptocurrencies.

The slowing or stopping of the development, general acceptance, adoption, and usage of blockchain networks (such as the Ethereum network) and blockchain assets may deter or delay the acceptance and adoption of the Tokens.

Blockchain networks utilize code that is subject to change at any time. These changes may have unintended consequences for the Tokens.

The Tokens are intended to be issued as tokens on the Ethereum blockchain. Changes, such as upgrades to Ethereum's blockchain, may have unintended, adverse effects. Also, the Ethereum Network operates based on an open-source protocol maintained by contributors, and contributors are generally not compensated for maintaining and updating the Network protocol. The lack of guaranteed financial incentive for contributors to maintain or develop the Network and the lack of guaranteed resources to adequately address emerging issues with the Network may reduce incentives to address the issues adequately or in a timely manner. This may adversely affect either the market value or the operational status of the Tokens

Additionally, the Company, in its sole discretion, may determine to issue the Tokens on a blockchain other than Ethereum, which may adversely impact an investment in the Tokens.

Only a few SEC-registered ATSs currently exist to trade blockchain-based securities tokens; the Company may be unsuccessful in quoting Tokens on any ATS or, once trading, maintaining such trading; trading over a blockchain-capable ATS currently offers the only legal way to trade digitally-enhanced securities tokens such as the Tokens.

Currently there are only a small number of SEC-registered ATSs which have the technological capabilities to permit the trading of digitally-enhanced securities tokens, such as the Tokens. Because the Tokens are intended to be issued as tokens on the Ethereum blockchain, they currently cannot be traded using a conventional securities trading platform such as a national securities exchange (*e.g.,* the New York Stock Exchange). However, because the Tokens are digitally-enhanced securities, they are not permitted to be traded on most spot cryptocurrency exchanges that are capable of handling blockchain assets (*e.g.,* Coinbase), because most spot cryptocurrency exchanges are not registered with the SEC to offer trading securities. If the Company is unable have the Tokens traded on an SEC-registered ATS that is capable of handling blockchain tokens, the Tokens may not legally be permitted to trade in the United States, which could result in a decrease in value of a Token.

Cyber security threats could result in misappropriation, hacking, infection by malware, or other damage to the Tokens or the blockchain network on which it is issued which could adversely affect an investment in the Tokens.

Security breaches, computer malware and computer hacking attacks have been a prevalent concern since the launch of blockchain networks. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and inadvertent or intentional infection by computer viruses, could harm or damage the software behind the Tokens, resulting in a loss of functionality, value, possession, or other damage to the holders of such the Tokens. Any breach of the software infrastructure supporting the Tokens could adversely affect an investment therein.

The security system and operational infrastructure supporting the Tokens may be breached due to various causes, including, without limitation, the actions of outside parties, error or malfeasance of an employee or other third-party service providers, or other reasons, and, as a result, an unauthorized party may obtain access to private keys, data, or the software infrastructure for the Tokens or other cryptocurrencies. As the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event and often are not recognized until launched against a target, the Company may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of the

security system or operational infrastructure supporting the Tokens occurs, part or all of a Token Holder's Tokens could be lost, stolen or destroyed.

Intellectual property rights claims may adversely affect the operation of blockchain networks.

Third parties may assert intellectual property claims relating to the holding and transfer of blockchain tokens such as the Tokens, ETH or other cryptocurrencies, and their source code. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the Ethereum Network's or the Tokens' long-term viability or the ability of holders to hold and transfer ETH or the Tokens may adversely affect an investment in the Tokens, which are intended to use the Ethereum blockchain. Additionally, a meritorious intellectual property claim could prevent us or holders of the Tokens from accessing the Ethereum Network or the Tokens or holding or transferring their ETH or Tokens. As a result, an intellectual property claim against the Company or against the Ethereum Network could adversely affect an investment in the Tokens.

Limitation on Liability of Managing Members

The LLCA and applicable law will limit the circumstances under which the Managing Members and their affiliates may be held liable to the Company. As a result, Token Holders may have a more limited right of action in certain cases than they would in absence of such limitations.

General Regulatory Risks

Changes in legal, fiscal and regulatory regimes may occur during the life of the Company and may have an adverse effect on the Company. The Company may not be permitted to, or be able to, make adjustments in its structure or investment program in order to adapt to such changes. Other factors affecting economic conditions, including, for example, inflation rates, rising interest rates, currency devaluation, exchange rate fluctuations, industry conditions, competition, technological developments, domestic and worldwide political, military and diplomatic events and trends and innumerable other factors, none of which will be in the control of the Company, can substantially and adversely affect the business and prospects of the Company.

Conflicts of Interest

The Managing Members and their affiliates will face various conflicts of interest in connection with the performance of their duties for the Company, which could result in actions that are not in the best interests of the Company and its investors. In addition, the Company may compete with affiliated entities formed in the future for investment opportunities. For discussion of such potential conflicts of interest, see Section XI of this Memorandum, "Conflicts of Interest."

RISK RELATED TO THE COMPANY'S INVESTMENTS IN HOSPITALITY

General Economic and Market Conditions

The real estate industry generally and the success of the Company's investment activities will both be affected by general economic and market conditions, as well as by changes in laws and national political and socioeconomic circumstances. These factors may affect the level and volatility of investment prices and the liquidity of the Company's investments, which could impair the Company's profitability or result in losses. In addition, general fluctuations in interest rates may affect the Company's investment opportunities and the value of the Company's investments. A sustained downturn in the United States economy (or any particular segment thereof) could adversely affect the Company's profitability, impede the ability of the Company's portfolio entities to perform under or refinance their existing obligations and impair the Company's ability to effectively exit its investments on favorable terms.

General Real Estate Risks

The Company's investments will be subject to the risks incident to the acquisition, development, ownership and operation of real estate. Real property investments are subject to varying degrees of risk. These risks include changes in general or local economic conditions, interest rates, availability of financing, real estate taxes and other operating expenses environmental changes, acts of God (which may result in uninsured losses), local employment conditions, domestic and foreign competition, and other factors, which are beyond the control of the Company and the Managing Members.

The following factors, among others, may adversely affect the revenues generated by the Property:

- local real estate market conditions;
- competition from other available projects;
- the Company's ability to effectively manage and maintain the Property;
- increased operating costs, including insurance premiums, real estate taxes, and utilities; and fluctuations in global travel.

Concentration of Investments in the Property

The Company expects that its property portfolio be comprised entirely of Cortona Golf & Resort Srl, the Holding Company of Tuscany National. As a result, the Company will be subject to risks inherent in investments in a single type of property. If the Company's investments are limited to the Property, the potential effects on the Company's revenues, and as a result, on cash available for distribution to Token Holders, resulting from a downturn or slowdown in the Property could be more pronounced than if the Company had diversified its investments across multiple property types.

The Managing Members expect to add additional life-style resort destinations to their portfolio over time with the expectation that these additional resort destinations will operate in cooperation with Tuscany National.

Geographic Concentration of Portfolio

Effect of Competition

The Property will be situated in Tuscany, Italy which is an area that includes other similar resort properties. The number of competitive properties could have a material adverse effect on the Company's ability to attract customers.

Cyclical and Seasonal Nature of the Target Industries

The Target industry can experience cycles of growth and downturn due to seasonality patterns. The Company's operating results may fluctuate due to this cyclicality and seasonality in the Target market, and results for a certain quarter may not be indicative of the results of future quarters.

Local Laws, Rules, Ordinances and Regulations

In compliance with EU Directive, under Italian law all corporations, entities with legal personality (associations, foundations and other private institutions with legal personality) and trusts in Italy are required to report their beneficial owner information through a dedicated telematics procedure, which will be used to register with the Register of Beneficial Owners established at the Chambers of Commerce. The data in the register of beneficial

owners will be freely available to the authorities, those required by law to comply with anti-money laundering regulations, the public, and all individual and legal entities.

A 'beneficial owner' is identified as a natural person who owns (directly or indirectly) a legal entity, controls it, or is a beneficiary of it. If the beneficial owner cannot be identified according to these criteria, the qualification falls on the natural person or persons holding the powers of legal representation, administration or management of the legal entity.

The Property May Experience Significant Vacancies

The Property is a golf resort in Tuscany Italy. As such, vacancies will occur as a natural result of seasonal considerations as well as the possibility from time to time of adverse weather conditions. Additionally, unusual conditions such as travel interruptions due to conflicts between governments and the possibility of pandemics can cause vacancies if those situations were to occur.

Ability to Secure Funds for Future Capital Improvements

In order to attract interest to the Property, the Company may be required to expend funds for capital improvements and renovations when residents do not renew their leases or otherwise vacate their homesites. In addition, the Company may require substantial funds to renovate the Property in order to sell it, upgrade it or reposition it in the market. FF&E Reserves will be put aside for all future renovations per the cash flow model. If the Company has insufficient capital reserves, the Company will have to obtain financing from other sources. The Company intends to establish capital reserves in an amount the Company, in its discretion, believe is necessary. A lender also may require escrow of capital reserves in excess of any established reserves. If these reserves or any reserves otherwise established are designated for other uses or are insufficient to meet the Company's cash needs, the Company may have to obtain financing from either affiliated or unaffiliated sources to Company its cash requirements. The Company cannot guarantee that sufficient financing will be available or, if available, will be available on economically feasible terms or on terms acceptable to the Company. Additional borrowing for capital needs and capital improvements will increase the Company's interest expense, and therefore the Company's financial condition and its ability to make cash distributions may be adversely affected.

Uninsured Losses

The Company intends to maintain insurance coverage against liability to third parties and property damage as is customary for similarly situated businesses. However, there can be no assurance that insurance will be available or sufficient to cover any such risks. There are certain types of losses (generally of a catastrophic nature such as those caused by fire, flood, freeze, hail, hurricanes, drought, severe frost, disease, pests, riots, terrorism and wars) that are uninsurable, not fully insurable or not insurable on economically feasible terms. In addition, there can be no assurance that the particular risks that are currently insurable will continue to be insurable at a reasonable cost. If the Company suffers an uninsured loss with respect to a particular property, the Company could lose both its invested capital and profits anticipated therefrom, and the Token Holders could lose their investment, except for the value of the underlying real estate remaining after such event.

Maintenance Costs

The Company will plan for adequate working capital to maintain the assets; however, if circumstances change or if the Company's projections prove inaccurate, the Company may not have sufficient working capital to maintain the assets properly. There can be no assurance that the Managing Members' decisions with respect to these matters will result in future profitability of the operations or potential development.

Losses Caused by Severe Weather Conditions or Natural Disasters

The Company will maintain comprehensive insurance coverage on the Property with terms, conditions, limits and deductibles that the Managing Members believes are appropriate given the relative risk and costs of such coverage,

and the Company continually review the Company's insurance programs and requirements. However, the Property may be located in areas particularly susceptible to revenue loss, cost increase or damage caused by severe weather conditions or natural disasters such as hurricanes, earthquakes, tornadoes and floods. The Company believes that the Company's and the Company's tenants' insurance coverage will be appropriate to cover reasonably anticipated losses that may be caused by hurricanes, earthquakes, tornadoes, floods and other severe weather conditions and natural disasters. Nevertheless, the Company is always subject to the risk that such insurance will not fully cover all losses and, depending on the severity of the event and the impact on the Property, such insurance may not cover a significant portion of the losses. These losses may lead to an increase of the Company's and the Company's tenants' cost of insurance, a decrease in the Company's anticipated revenues from an affected property and a loss of all or a portion of the capital the Company has invested in an affected property. In addition, the Company or the Company's tenants may not purchase insurance under certain circumstances if the cost of insurance exceeds, in the Company's or the Company's tenants' judgment, the value of the coverage relative to the risk of loss.

Local Taxes

The Property will subject to real and personal property taxes, as well as excise taxes, that may increase as tax rates change and as the Property are assessed or reassessed by taxing authorities. As the owner of the Property, the Company will be ultimately responsible for payment of the taxes to the applicable government authorities. If the Company fails to pay any such taxes, the applicable taxing authority may place a lien on the Property and the Property may be subject to a tax sale. In addition, the Company will generally be responsible for real property taxes related to any vacant space.

Costs of Complying with Laws Related to Environmental Protection and Human Health and Safety

The completion and opening of the Property must be carried out in accordance with Italian laws regarding environmental protection, workplace and human safety. The relating costs will be suffered by Cortona that will have together with its legal representative the civil and criminal liability for any failure to comply with these regulations.

Limited Information

To take advantage of certain investment opportunities, the Company may be required to act quickly and accordingly may not receive access to all available and pertinent information in assessing such opportunities, such as physical condition of the Property, zoning regulations and other local conditions that may affect an investment. No assurance can be given that the Managing Members will have knowledge of all circumstances that may adversely affect an investment. In addition, the Managing Members may rely upon specialized input from various third-party consultants and service providers in connection with its evaluation of proposed investments. Indemnification or other remedies may not be available to the Company due to contractual provisions with such consultants limiting such indemnification or other remedies.

RISKS ASSOCIATED WITH DEBT FINANCING

Increases in Interest Rates May Increase Debt Payments

The Company's performance may be adversely affected by a fluctuation in interest rates if it utilizes variable rate mortgage financing and fails to employ an effective hedging strategy to mitigate such risks. Should the Company elect to borrow at a variable interest rate and to employ such a hedging strategy (*provided*, that it will be under no obligation to do so), the use of these instruments to hedge a portfolio carries certain risks, including the risks that losses on a hedge position will reduce the Company's earnings and funds available for distribution to Token Holders and that such losses may exceed the amount invested in such instruments. Even if used, hedges may not perform their intended purposes of minimizing and offsetting losses on an investment. Further, upon the default or failure of

a counterparty to any hedging or derivative financial instrument, the Company may be exposed to the risks of fluctuations in interest rates or currency rates.

Instability in the Debt Markets and the Company's Inability to Obtain Financing

The Company's targeted returns assume that the Company will be able to leverage its investments at interest rates and on terms otherwise acceptable to the Managing Members. If mortgage debt is unavailable on reasonable terms as a result of increased interest rates, underwriting standards, capital market instability or other factors, the Company may not be able to finance the initial purchase of the Property, which will materially and adversely impact the Company's ability to implement its investment strategy. In addition, if the Company places mortgage debt on the Property, the Company runs the risk of being unable to refinance such debt when the loans come due, or of being unable to refinance on favorable terms. If interest rates are higher when the Company refinances debt, the Company's income could be reduced. The Company may be unable to refinance debt at appropriate times, which may require the Company to sell the Property on terms that are not advantageous to the Company or could result in the foreclosure of the Property. In addition, to the extent there is a lack of readily available and reasonably priced debt financing available to potential purchasers at the time the Company is ready to dispose of an investment, it could materially and negatively affect the number of potential purchasers and the prices purchasers are willing to pay to the Company. If any of these events occur, the Company's cash flow would be reduced, which in turn, would reduce cash available for distribution to Token Holders and may hinder the Company's ability to raise more capital by borrowing more money.

Lenders May Require the Company to Enter into Restrictive Covenants

When providing financing, a lender may impose restrictions on the Company that affects the Company's distributions (including restrictions on making distributions to Token Holders) and operating policies, and the Company's ability to incur additional debt. Loan documents the Company will enter into may contain covenants that limit the Company's ability to further mortgage a property, discontinue insurance coverage, or replace the Managing Members. In addition, loan documents may limit the Company's ability to replace a property's property manager or terminate certain operating or lease agreements related to a property. These or other limitations may adversely affect the Company's flexibility and the Company's ability to achieve its investment objectives.

REGULATORY RISKS

Regulatory Risks

The Company must comply with various legal requirements, including those imposed by securities laws, tax laws and pension laws. Should any of such laws change over the scheduled term of the Company, the legal requirements to which the Company and the Token Holders may be subject could differ materially from the current requirements and adversely affect the Token Holders.

No Registration under the Securities Act

The Tokens will not be registered under the Securities Act or any state "blue sky" securities laws. The Managing Members is structuring this offering to comply with exemptions from the registration and qualification requirements of those laws. If the Company fails to qualify for those exemptions, or from exemptions from the registration and reporting requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), the Company could be required to make rescission offers, to register the offering, to register the Tokens, or to comply with the reporting requirements of the Exchange Act. In addition, the Managing Members could face civil and criminal actions. Any of these circumstances would result in a significant increase in the Company's expenses, which would reduce the value of an investment and the Company's ability to make distributions to the Token Holders.

The Company is not a registered investment company.

The Company and its Managing Members will not be registered as an "investment company" under the Investment

Company Act of 1940 or as an "investment adviser" under the Investment Adviser Act of 1940. Consequently, Token Holders in the Company will not be covered by the protections afforded by the Investment Company Act of 1940 or the Investment Advisor Act of 1940.

No Registration under the Investment Advisers Act

Neither Managing Members nor any of their affiliates are registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act") or as an investment adviser in any state, in reliance upon an exemption from the registration requirements of the Advisers Act. As a result, investors in the Company will not be protected by any regulatory supervision or inspections by any regulatory agencies to which investment advisors are subject, and Managing Members will not be required to observe certain restrictions that would be applicable to registered investment advisers. Managing Members or an affiliate thereof may register as an investment adviser under the Advisers Act at some time in the future.

U.S. TAX RISKS

Tax Liquidity Concerns

The Company is expected to be treated as a partnership for U.S. federal income tax purposes. As such, the Company should not itself be subject to U.S. federal income tax, but each Token Holder, in determining its U.S. federal income tax liability, will take into account its allocable share of items of income, gain, loss, deduction and credit of the Company, without regard to the amount, if any, of distributions it has received from the Company. Accordingly, a Token Holder's tax liability attributable to the Company could exceed the cash distributions from the Company in any year, and in such case, the Token Holder would have to satisfy its tax liability arising from its investment in the Company from the Token Holder's own funds.

Schedules K-1, K-2 and K-3

It is possible that the Company will not be able to furnish the Token Holders' Schedules K-1, K-2 and K-3 for completing their U.S. tax returns prior to April 15th of each year. In such event, the Token Holders will likely have to file requests for extension of time to file their U.S. tax returns.

Changes in U.S. Federal Income Tax Law

Legislative, regulatory or administrative changes could be enacted or promulgated at any time, either prospectively or with retroactive effect, and may adversely affect the Company and/or the Token Holders.

The U.S. Internal Revenue Code (the "Code") has recently been amended by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), which was enacted on March 27, 2020, as well as by the Inflation Reduction Act (the "IRA of 2022"), which was enacted on August 16, 2022, both of which include several provisions affecting taxes. Although it is expected that Treasury Regulations or other guidance will be issued to provide additional clarification for many of these provisions, the timing of any such guidance is remains unknown. As a result, the effect of the CARES Act and the IRA of 2022 on an investment in the Company, and on the investment activities of the Company, remains uncertain. Moreover, as a result of COVID-19, Congress and the Treasury Department may further change the tax laws. Any future changes are highly uncertain, and the impact on the Company or the Token Holders cannot be accurately predicted. Prospective investors should consult their own tax advisors regarding changes in tax laws.

Structuring of the Investment

The Company may structure and hold its investment in the Property in such a manner that the Company deems appropriate in the relevant circumstances in consideration of multiple factors. As a result, no assurance can be provided that the Property will be structured or held in a manner addressing the interests of particular Token Holders in the Company, nor in a tax-efficient manner with respect to particular Token Holders in the Company.

Treatment of Taxes

The Company may directly or indirectly bear taxes, including withholding taxes, and any associated penalties and interest. While the Company will endeavor to have such amounts borne equitably by the Token Holders, no assurance can be provided that a Token Holder will not bear more than its equitable share of such amounts.

Tax Consequences

The Company will not request any ruling from the IRS as to any U.S. federal income tax consequences relating to the structure or operation of the Company, the Property. As such, there can be no assurance that any tax position taken by the Company will not be challenged by the IRS.

Tax-Exempt and Non-U.S. Investors May Be Subject to U.S. Tax

The Company is not prohibited from conducting activities or making investments that will generate unrelated business taxable income ("UBTI") that is taxable to U.S. tax-exempt entities or income that is effectively connected with a U.S. trade or business ("ECI") that is taxable to non-U.S. persons.

U.S. tax-exempt entities and non-U.S. persons should consult with their own tax advisors regarding an investment in the Company.

Possibility of Tax Audit

The IRS has announced an intention to examine certain practices of entities treated as partnerships for U.S. federal income tax purposes to ensure proper reporting of U.S. federal income taxes. While the Company has no reason to believe that it would be a specific target of audit or examination, the IRS's increased attention to entities treated as partnerships for U.S. federal income tax purposes may increase the risk of audit. There can be no assurance that the Company's tax returns will not be audited or that adjustments to such returns will not be made as a result of such an audit. If an audit results in an adjustment, Token Holders may be required to file amended returns (which may themselves be audited) and to pay back taxes, plus interest. Furthermore, an audit of Company items may also result in an audit of non-Company items on a Token Holder's tax return. The cost of any audit of any Token Holder's tax return will be borne solely by such Token Holder. Any audit of a Token Holder's return may also result in an increase in such Token Holder's U.S. federal income tax liability for any year, or the assessment of interest and penalties with respect to the amount of underpayment, all of which such Token Holder will be solely responsible. Any audit of a Token Holder's return may also involve substantial accounting and/or legal fees and other costs to him, her or it for which he, she or it will have no right to reimbursement from the Company. NO REPRESENTATION OR WARRANTY OF ANY KIND IS MADE WITH RESPECT TO THE TAXATION, DEDUCTIBILITY OR THE CAPITALIZATION OF ANY ITEM BY THE COMPANY OR ANY TOKEN HOLDER.

Pursuant to the partnership audit rules, audits of the Company generally will be conducted at the Company level and any adjustment that results in additional tax (including interest and penalties thereon) may be assessed and collected at the Company level in the current taxable year. In addition, the Company's "partnership representative" is permitted to extend the statute of limitations with respect to tax items attributable to the Company by agreement with the IRS on behalf of the Company without the consent of any Token Holders. Therefore, unless the Company elects otherwise, the Company may be directly responsible in the then-current taxable year for the income tax liability resulting from the audit adjustment that relates to a prior taxable year(s) and a Token Holder may indirectly bear some of the cost of such taxes which are attributable to a taxable year in which such Token Holder did not own an interest in the Company or in which the Token Holder owned a different percentage of the Company. Prospective Token Holders should consult their tax advisors regarding the potential implications of the new partnership audit rules.

Other Tax Risks

An investment in the Company involves complex U.S. federal, state and local and non-U.S. income tax considerations that will differ for each Token Holder. Prospective Token Holders are advised to seek the advice of

a qualified expert on matters of U.S. federal, state and local and non-U.S. taxation of the Company and ownership of the Tokens. In judging whether to invest in the Company, a prospective Token Holder should consider the tax consequences thereof which include, but are not limited to: (i) the possibility of adverse changes or interpretations in applicable tax laws; (ii) the possibility that a Token Holder may be required to file tax returns and pay tax in state, local and/or non-U.S. jurisdictions in which the Company's assets are deemed to be located and where the Company is considered to be conducting business or otherwise has a taxable nexus; (iii) the possibility that the Tokens could decline in value with a Token Holder realizing a capital loss if the Company is liquidated or the Token Holder disposes of its Tokens, with limitations on the deductibility of any such capital loss; (iv) the possibility of substantial taxation borne by the Token Holders, including imposition of state, local and non-U.S. taxes (including withholding taxes), alternative minimum taxes and the net investment income tax; and (v) the possibility that the allocations of income, gain, loss, deduction and credit of any tax partnership in the structure, including the Company, to its Token Holders will not be respected.

XI. CONFLICTS OF INTEREST

The Company will be subject to a number of actual and potential conflicts of interest. The following briefly summarizes some of such conflicts, but is not intended to be an exclusive list of all such actual or potential conflicts.

OTHER ACTIVITIES OF KEY PERSONS

The Managing Members have been in the real estate development and operations business for the last 40 years and as such have multiple projects in addition to Tuscany National that are part of their business focus.

FEES AND OTHER COMPENSATION TO MANAGING MEMBERS AND AFFILIATES

The Managing Members and their respective entities will be reimbursed for due diligence costs, transaction costs, and the cost of third-party professional advisors. These costs are budgeted to total $2,150,000.

RELATED PARTY TRANSACTIONS

In the operation of the Property, the Managing Members may face conflicts of interest in connection with transactions or agreements between the Company and the Managing Members and their affiliates, including, but not limited to, the fact that the Company will pay the Managing Members, the Asset Manager and the Property Manager, certain fees which were not negotiated on an arm's-length basis. These conflicts of interest may lead to actions by the Managing Members which are not always in the best interests of the Company.

DIVERSE TOKEN HOLDER GROUP

The Token Holders may have conflicting investment, tax and other interests with respect to their investments in the Company. The conflicting interests of the Token Holders may relate to, or arise from, among other matters, the acquisition or structuring of investments by the Company and the timing and disposition of investments by the Company. As a consequence, conflicts of interest may arise in connection with decisions made by the Managing Members that may be more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations. In addition, the Company may make investments that may have a negative impact on related or unrelated investments made by Token Holders in transactions outside of the Company. In selecting and structuring investments appropriate for the Company, the Managing Members will consider the investment and tax objectives of the Company and the Token Holders as a group, not the investment, tax or other objectives of any Token Holder individually.

NO INDEPENDENT COUNSEL

Winston & Strawn LLP currently serves as counsel for the Company. Winston & Strawn LLP does not represent the interests of any Token Holder in the Company. Prospective investors should seek their own legal, tax and financial advice before making an investment in the Company. Winston & Strawn LLP may be removed by the Managing Members as counsel to the Company at any time without the consent of, or notice to, the Token Holders. In addition, Winston & Strawn LLP does not undertake to monitor the compliance of the Company, the Managing Members, the Asset Manager or the Property Manager or their respective affiliates with the investment program, investment strategies, investment restrictions and other guidelines and terms set forth in this Memorandum, nor does Winston & Strawn LLP monitor compliance with applicable laws. Winston & Strawn LLP has not investigated or verified the accuracy and completeness of any information set forth in this Memorandum.

XII. CERTAIN REGULATORY AND TAX CONSIDERATIONS

FEDERAL SECURITIES LAWS

Securities Act of 1933

The Tokens have not been registered under the Securities Act, or any other securities laws, including state securities or blue sky laws, and the Company does not intend to register the Tokens under such laws. The Tokens are offered in reliance upon the exemption from registration thereunder provided by Section 4(a)(2) thereof and Regulation D promulgated thereunder. Each prospective purchaser is required to represent, among other customary private placement representations, that it is an "accredited investor," as that term is defined in Regulation D, and is acquiring Tokens for investment purposes only and not for resale or distribution.

Securities Exchange Act of 1934

The Company intends to limit the issuance and transfer of Tokens such that the total number of record holders of Tokens, as determined pursuant to the Exchange Act, is less than 1,999 in order to avoid the registration requirements of the Exchange Act. As a result, the Company is not expected to be subject to the periodic reporting and related requirements of the Exchange Act and Token Holders should only expect to receive the information and reports required to be delivered pursuant to the LLCA and applicable law.

Investment Company Act of 1940

The Managing Members intend to organize and operate the Company so that it will not subject the Company to the registration requirements of the 1940 Act.

Section 3(a)(1)(A) of the 1940 Act defines an investment company as any issuer that is or holds itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. The Managing Members believes the Company will not be considered an investment company under Section 3(a)(1)(A) of the 1940 Act because the Company does not engage primarily or hold itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. Rather, through the Company's wholly owned or majority-owned subsidiaries, the Company is primarily engaged in the non-investment company businesses of these subsidiaries, namely the business of purchasing or otherwise acquiring real property.

Section 3(a)(1)(C) of the 1940 Act defines an investment company as any issuer that 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 the issuer's total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis, which is referred to as the "40% test." Excluded from the term "investment securities," among other things, are U.S. government securities and securities issued by majority-owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the 1940 Act. The Managing Members believe that the Company and its subsidiaries will each comply with the 40% test as the Company intends to invest primarily in real property, rather than in securities, through the Company's wholly or majority-owned subsidiaries. Even if the value of investment securities held by one of the Company's subsidiaries were to exceed 40% of the value of its total assets, the Managing Members expect that subsidiary to be able to rely on the exception from the definition of "investment company" under other applicable sections of the 1940 Act.

Remaining outside the definition of investment company or maintaining compliance with 1940 Act exceptions limits the Company's ability to make certain investments. To the extent that the SEC or its staff provides more specific or different guidance regarding any such matters, the Company may be required to adjust its investment strategy accordingly. Any additional guidance from the SEC or its staff could provide additional flexibility to the Company, or it could inhibit the Company's ability to pursue its chosen investment strategy.

If the Company is obligated to register as an investment company, the Company would have to comply with a variety of substantive requirements under the 1940 Act that impose, among other things:

- limitations on capital structure;
- restrictions on specified investments;
- prohibitions on transactions with affiliates; and
- compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly change the Company's operations.

The 1940 Act provides a number of investor protections. As long as the Company is not regulated by or registered as an investment company under the 1940 Act, investors in the Company will not receive the benefit of those protections. Furthermore, if the Company were required to register as an investment company but failed to do so, it might be prohibited from engaging in its business in whole or in part, and criminal and civil actions could be brought against the Company. In addition, the Company's contracts with other parties might be deemed void, and a receiver could be appointed to take control of the Company and liquidate its assets.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with an investment in the Company by employee benefit plans that are subject to Title I of ERISA, individual retirement accounts ("IRAs") and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of the foregoing, a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA ("ERISA Plan") or Section 4975 of the Code and prohibit certain transactions involving the assets of a Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of an ERISA Plan or the management or disposition of the assets of an ERISA Plan, or who renders investment advice for a fee or other compensation to an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the Company of a portion of the assets of any Plan, a fiduciary should determine, particularly in light of the risks and lack of liquidity inherent in an investment in the Company, whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws. Furthermore, absent an exemption, the fiduciaries of a Plan should not invest in the Company with the assets of any Plan if the Managing Members or any of their affiliates is a fiduciary with respect to such assets of the Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code. The acquisition or ownership of Tokens by an ERISA Plan with respect to which the Company is considered a party in interest or a disqualified person may constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor (the "DOL") has issued prohibited transaction class exemptions, or ("PTCEs"), that may apply to the acquisition and holding of investments in the Company. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and

PTCE 96-23 respecting transactions determined by in-house asset managers. There are also a number of statutory exemptions that may apply in certain circumstances.

Plan Assets

Under ERISA and one of the regulations promulgated thereunder (the "Plan Asset Regulations"), when an ERISA Plan acquires an equity interest in an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the 1940 Act, the ERISA Plan's assets include both the equity interest in the entity and an undivided interest in each of the underlying assets of the entity, unless it is established that either (i) less than 25% of the total value of each class of equity interests in the entity is held by "benefit plan investors" as defined in Section 3(42) of ERISA (the "25% Test"), or (ii) the entity is an "operating company," as defined in the Plan Asset Regulations. The Tokens will not constitute "publicly offered securities" for purposes of the Plan Assets Regulation, and the Company will not be registered under the 1940 Act.

For purposes of the 25% Test, the assets of an entity will not be treated as "plan assets" if, immediately after the most recent acquisition or divestiture of any equity interests in the entity, less than 25% of the total value of each class of equity interest in the entity is held by "benefit plan investors," excluding equity interests held by persons (other than benefit plan investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates thereof. The term "benefit plan investors" is generally defined to include employee benefit plans subject to Title I of ERISA or Section 4975 of the Code (including "Keogh" plans and IRAs), as well as any entity whose underlying assets include plan assets by reason of a plan's investment in such entity (*e.g.*, an entity of which 25% or more of the total value of any class of equity interests is held by benefit plan investors and which does not satisfy another exception under ERISA). Thus, absent satisfaction of another exception under ERISA, if 25% or more of the total value of any class of equity interests of the Company were held by benefit plan investors, an undivided interest in each of the underlying assets of the Company would be deemed to be "plan assets" of any ERISA Plan that invested in the Company.

The definition of an "operating company" in the Plan Asset Regulations includes, among other things, a venture capital operating company ("VCOC"). Generally, in order to qualify as a VCOC, an entity must demonstrate on its "initial valuation date" (as defined in the Plan Asset Regulations), and annually thereafter, that at least 50% of its assets, valued at cost (other than short-term investments pending long-term commitment or distribution to investors), are invested in operating companies (other than VCOCs) (*i.e.*, operating entities that (x) are primarily engaged directly, or through a majority owned subsidiary or subsidiaries, in the production or sale of a product or service other than the investment of capital, or (y) qualify as real estate operating company ("REOC")) in which such entity has direct contractual management rights. In addition, to qualify as a VCOC, an entity must, in the ordinary course of its business, actually exercise such management rights with respect to at least one of the operating companies in which it invests. Similarly, in order to qualify as a REOC an entity generally must demonstrate on its initial valuation date and annually thereafter that at least 50% of its assets valued at cost (other than short term investments pending long term commitment or distribution to investors) are invested in real estate which is managed or developed and with respect to which such entity has the right to substantially participate directly in the management or development activities. In addition, to qualify as a REOC an entity must in the ordinary course of its business actually be engaged directly in such real estate management or development activities. The Plan Asset Regulations do not provide specific guidance regarding what rights will qualify as management rights, and the DOL has consistently taken the position that such determination can only be made in light of the surrounding facts and circumstances of each particular case, substantially limiting the degree to which it can be determined with certainty whether particular rights will satisfy this requirement.

Plan Asset Consequences

If the assets of the Company were deemed to be "plan assets" under ERISA, this may result, among other things, in (a) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Company and (b) the possibility that certain transactions in which the Company might seek to engage could constitute "prohibited transactions" under ERISA and the Code. If a prohibited transaction occurs for which no exemption is available, the Managing Members or any other fiduciary that has engaged in the prohibited transaction could be required to (a) restore to the ERISA Plan any profit realized on the transaction and (b) reimburse the ERISA Plan for any losses suffered by the ERISA Plan as a result of the investment. In addition, each disqualified person (within the

meaning of Section 4975 of the Code) involved could be subject to an excise tax equal to 15% of the amount involved in the prohibited transaction for each year the transaction continues and, unless the transaction is corrected within statutorily required periods, to an additional tax of 100%. ERISA Plan fiduciaries who decide to invest in the Company could, under certain circumstances, be liable for prohibited transactions or other violations as a result of their investment in the Company or as co-fiduciaries for actions taken by or on behalf of the Company or the Managing Members. With respect to an IRA that invests in the Company, the occurrence of a prohibited transaction involving the individual who established the IRA, or his or her beneficiaries, could cause the IRA to lose its tax-exempt status.

The Managing Members, in its sole discretion, will use reasonable efforts to (i) limit equity participation by benefit plan investors in the Company to less than 25% of the total value of each class of equity interests in the Company as described above, and/or (ii) operate the Company in such a manner so as to qualify the Company as a VCOC or REOC so that the underlying assets of the Company should not constitute "plan assets" of any ERISA Plan which invests in the Company. However, there can be no assurance that, notwithstanding the reasonable efforts of the Managing Members, the Company will qualify as a VCOC or REOC, the structure of the particular investments of the Company will satisfy the Plan Asset Regulations, or the underlying assets of the Company will not otherwise be deemed to include ERISA plan assets.

Under the LLCA, the Managing Members will have the power to take certain actions to avoid having the assets of the Company characterized as "plan assets," including, without limitation, the right to refuse the sale or transfer of all or any portion of Tokens by any Token Holder. While the Managing Members and the Company do not expect that the Managing Members will need to exercise such power, neither the Managing Members nor the Company can give any assurance that such power will not be exercised.

Reporting of Indirect Compensation

The descriptions contained in this Memorandum of fees and compensation are intended to satisfy the disclosure requirements for "eligible indirect compensation" for which the alternative reporting option on Schedule C of Form 5500 Annual Return/Report may be available.

The foregoing discussion is general in nature and is not intended to be all-inclusive. As indicated above, Similar Laws governing the investment and management of the assets of governmental or non-U.S. plans may contain fiduciary and prohibited transaction requirements similar to those under ERISA and the Code. Accordingly, fiduciaries of such governmental or non-U.S. plans, in consultation with their advisors, should consider the impact of their respective laws and regulations on an investment in the Company and the considerations discussed above, if applicable.

The fiduciaries of each Plan proposing to invest in the Company represent that they have made the decision to invest in the Company, they have been informed of and understand the Company's investment objectives, policies and strategies and that the decision to invest in the Company is consistent with the relevant provisions of ERISA or the Code. By its investment, each Token Holder may be deemed to represent that either: (A) no portion of the assets used by the purchaser to invest in the Company will constitute assets of any Plan, or (B) if the purchaser is a Plan or subject to Similar Law, (i) the purchase and holding of Tokens will not constitute a fiduciary breach or nonexempt prohibited transaction under § 406 of ERISA or § 4975 of the Code or a violation under any applicable Similar Law, and (ii) the purchaser has made its own discretionary decision to invest in the Company, and neither the Company, the Managing Members nor any of their affiliates have provided any investment advice to such Token Holder concerning the advisability of an investment in the Company.

EACH PLAN FIDUCIARY SHOULD CONSULT ITS LEGAL ADVISOR AS TO THE PROPRIETY OF AN INVESTMENT IN THE COMPANY IN LIGHT OF THE CIRCUMSTANCES APPLICABLE TO THAT PLAN BEFORE MAKING AN INVESTMENT IN THE COMPANY. ACCEPTANCE OF INVESTMENTS IS IN NO RESPECT A REPRESENTATION THAT SUCH INVESTMENT MEETS THE RELEVANT LEGAL REQUIREMENTS WITH RESPECT TO THAT PLAN OR THAT THE INVESTMENT IS APPROPRIATE FOR SUCH PLAN.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of certain U.S. federal income tax consequences to Token Holders of an investment in the Company. It is not intended as a complete analysis of all possible tax considerations in acquiring, holding and disposing of Tokens and, therefore, is not a substitute for careful tax planning by each investor, particularly since the federal, state and local income tax consequences of an investment in entities taxable as partnerships, like the Company, may not be the same for all taxpayers. No ruling from the Internal Revenue Service (the "IRS"), and no opinion of legal counsel, has been or will be sought as to any matter discussed below.

This discussion of the federal income tax consequences of an investment in the Company is based upon existing law, contained in the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated under the Code, including any temporary regulations ("Treasury Regulations"), administrative rulings and other pronouncements, and court decisions as of the date hereof. The existing law, as currently interpreted, is subject to change by either new legislation, or by differing interpretations of existing law in regulations, administrative pronouncements or court decisions, any of which could, by retroactive application or otherwise, adversely affect a Token Holder's investment in the Company.

This discussion is general and may not apply to all categories of investors, some of which, such as banks, thrifts, insurance companies, dealers and other investors that do not own their Tokens as capital assets, may be subject to special rules. Except to the extent set forth below under the headings "— Taxation of Tax-Exempt Token Holders" and "— Taxation of Non-U.S. Token Holders," this summary does not fully address the U.S. federal income tax considerations that may be relevant to tax-exempt organizations and Non-U.S. Persons (as defined below), including non-U.S. governments and international organizations. This discussion does not address all potential U.S. federal income tax consequences that may apply to a particular investor and does not address any state or local tax considerations or any other U.S. federal tax laws, such as the estate and gift tax laws. The actual tax consequences of the purchase and ownership of Tokens may vary depending on an Token Holder's particular circumstances. **THIS DISCUSSION DOES NOT CONSTITUTE TAX ADVICE AND IS NOT INTENDED TO SUBSTITUTE FOR TAX PLANNING.**

For purposes of this discussion, a "U.S. Person" is (i) an individual who is a citizen of the United States or is treated as a resident of the United States for U.S. federal income tax purposes, (ii) a corporation or other entity treated as a corporation for U.S. federal income tax purposes that is created or organized in or under the laws of the United States, any State thereof or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust that (a) is subject to the supervision of a court within the United States and the control of one or more U.S. Persons or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. Person. A "U.S. Token Holder" is a Token Holder that is a U.S. Person. A "Non-U.S. Person" is an individual, corporation, estate or trust for federal income tax purposes and is not a U.S. Person, and a "Non-U.S. Token Holder" is a Token Holder that is a Non-U.S. Person.

If Tokens are held by an entity treated as a partnership for U.S. federal income tax purposes, the tax treatment of a partner or member thereof will generally depend on the status of the partner or member and the activities of the entity treated as a partnership for U.S. federal income tax purposes. Accordingly, if a prospective investor is treated as a partnership for U.S. federal income tax purposes, the prospective investor and its partners or members should consult their tax advisers regarding the U.S. tax consequences of an investment in the Company.

PROSPECTIVE INVESTORS MUST CONSULT WITH AND RELY SOLELY ON THE ADVICE OF AN INDEPENDENT TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES (INCLUDING STATE AND LOCAL AND ESTATE TAX CONSEQUENCES) OF AN INVESTMENT IN THE COMPANY BASED ON THEIR PARTICULAR CIRCUMSTANCES.

Treatment as a Partnership

The Company expects to be treated as a partnership for U.S. federal income tax purposes. The Company does not expect to be treated as a publicly traded partnership, which, under certain circumstances, is taxable as a corporation. Accordingly, the Company does not expect to pay any U.S. federal income tax. Treatment of the Company as a corporation for federal income tax purposes would materially reduce the anticipated benefits of an investment in the Company. The balance of this discussion assumes that the Company will be treated as a partnership for U.S. federal income tax purposes and will not be taxed as a corporation.

Possible IRS Challenges; Tax Audits

The Company will file an annual partnership information return with the IRS that reports the results of its operations for the taxable year, and will distribute annually to each Token Holder a form showing its distributive share of the Company's items of income, gain, loss, deduction or credit. The Managing Members will have the authority to decide how to report such items on the Company's tax returns, and all Token Holders will be required under the LLCA to treat the items consistently on their own returns.

An audit by the IRS of the tax treatment of the Company's income and deductions generally will be determined at the Company level in a single proceeding rather than by individual audits of the Token Holders. Under the current partnership audit rules that will apply to the Company, the Managing Members or their delegate will be designated as the "Partnership Representative" of the Company, and the Partnership Representative will have the sole authority to act on behalf of the Company with respect to an IRS audit, including the control of the conduct of any action, audit, claim for refund, or administrative or judicial proceeding involving any asserted tax liability or refund with respect to the Company, including any settlement, compromise and/or concession with respect to any asserted tax liability. The Company and the Token Holders will be bound by any actions taken by the Managing Members. Under these rules, the Partnership Representative has the discretion to follow a procedure in which tax deficiencies that arise from the adjustment of Company items (an "Adjustment") resulting from an IRS audit, action, adjustment (including an administrative adjustment filed by the Company) or other decision (a "Tax Proceeding") with respect to the Company for a past year (the "Reviewed Year") could be collected from the Company in the year of the Adjustment (the "Adjustment Year"). Such tax deficiency would generally be calculated using the maximum tax rates (and could include interest and applicable penalties). This may result in a Token Holder bearing a tax cost economically attributable to a year in which the Token Holder was not a Token Holder or had a smaller economic interest. An Adjustment that does not result in a tax deficiency shall be taken into account by the Company in the Adjustment Year. The amount of the tax deficiency for the Adjustment Year may exceed the tax deficiency that would have been computed if the applicable tax returns for the Reviewed Year were filed or amended in accordance with the Adjustments made as a result of the Tax Proceeding. Any tax deficiency attributable to an Adjustment that is paid by the Company will be treated as a nondeductible Company expense in the Adjustment Year. As a result, persons who are Token Holders in the Adjustment Year may have a reduction in the basis of their Tokens and a reduction in their capital accounts.

As part of this procedure, the Managing Members may require current and former Token Holders to provide information (*e.g.*, their tax-exempt or non-U.S. status for any Reviewed Year) in order to reduce the tax rate used by the IRS to calculate the tax deficiency. The tax deficiency may also be reduced to the extent that persons who were Token Holders in the audited year have filed amended returns reflecting the audit or other adjustment and paid any tax due. The Token Holders will be required to provide any information requested by the Managing Members for this purpose, including proof of an amended return that takes into account any Adjustment and proof of any tax due, and such obligation to provide information shall survive a person's ceasing to be a Token Holder of the Company and/or the termination, dissolution, liquidation and winding up of the Company.

The Managing Members may, in their sole discretion, require a person who was a Token Holder in the Reviewed Year to indemnify or reimburse the Company for that person's allocable share of the tax deficiency that the Company paid in the Adjustment Year as a result of the Adjustment. The obligation of a person who was a Token Holder to indemnify or reimburse the Company shall survive such person's ceasing to be a Token Holder of the Company and/or the termination, dissolution, liquidation and winding up of the Company. If the Company ceases to exist prior to any Adjustment taking effect, the former Token Holders may be required to take into account any such Adjustment.

Instead of paying the tax deficiency, the Managing Members may, in their sole discretion, cause the Company to issue adjusted Schedules K-1, K-2 and K-3 for the Adjustment Year to the persons who were Token Holders in the Reviewed Year, which forms would include their share of Adjustments resulting from a Tax Proceeding. Such persons will take the Adjustments into account for the Adjustment Year. The amount of the tax deficiency for the Adjustment Year may exceed the tax deficiency that would have been computed if such persons' tax returns for the Reviewed Year were filed or amended in accordance with the determination in the Tax Proceeding.

Prospective investors should consult their tax advisors as to the application of these rules on them in respect of their ownership of Tokens.

Taxation of Token Holders on Income or Losses of the Company Generally

No U.S. federal income tax is payable by an entity that is treated as a partnership for U.S. federal income tax purposes. Instead, each Token Holder must report on its U.S. federal income tax return for each year during which the Token Holder is a partner for U.S. federal income tax purposes, its distributive share of the items of income, gain, loss, deduction and credit of the Company, whether or not cash is distributed to that Token Holder during the taxable year.

Taxation of U.S. Token Holders

Each U.S. Token Holder will be required to take into account its distributive share of items of income, gain, loss, deduction and credit of the Company for each taxable year of the Company ending with or within the U.S. Token Holder's taxable year. U.S. Token Holders must report those items without regard to whether any distribution has been or will be received from the Company. Each item generally will have the same character as though the U.S. Token Holder had realized the item directly.

For taxable years beginning before January 1, 2026, non-corporate taxpayers are entitled to a deduction of up to 20% of "qualified business income" from a partnership, such as the Company. The deduction is subject to various limitations, including one based on 2.5% of the unadjusted basis of the Company's depreciable property. At the top individual income tax rate of 37%, the income to which the deduction fully applies is subject to an effective rate of 29.6% (before taking into account the Medicare tax on net investment income discussed below and before taking into account any state or local income tax). Prospective investors should consult their own tax advisers regarding the application of these rules to an investment in the Company.

For taxable years beginning after December 31, 2025, the top individual income tax rate will revert to 39.6% and the 20% deduction for qualified business income would no longer apply.

Because Token Holders will be required to include Company income in their respective income tax returns, Token Holders may be liable for federal and state or local income taxes on that income without regard to the amount, if any, of distributions they have from the Company. Accordingly, each Token Holder may be required to find other sources from which to pay the federal, state and local taxes arising out of its investment in the Company.

Company Distributions

Distributions of cash (including, in certain circumstances, "marketable securities") to a U.S. Token Holder, including, for this purpose, any reduction in the U.S. Token Holder's share of the Company's liabilities (directly or through lower tier partnerships) are first applied to reduce the U.S. Token Holder's tax basis in its Tokens. To the extent such distributions exceed such basis, they will result in taxable gain to the U.S. Token Holder. In general, distributions (other than liquidating distributions) of property other than cash and, in certain circumstances, "marketable securities," will reduce the basis (but not below zero) of a U.S. Token Holder's Tokens by the amount of the Company's basis in such property immediately before its distribution, but will not result in the realization of income to the U.S. Token Holder.

Basis

A U.S. Token Holder's tax basis in its Tokens is generally equal to the amount of cash the U.S. Token Holder has contributed to the Company, increased by the U.S. Token Holder's share of income and liabilities of the Company, and decreased by the U.S. Token Holder's share of distributions, losses and reductions in Company liabilities.

Allocations of Income, Gain, Loss and Deduction

Pursuant to the LLCA, items of the Company's income, gain, loss, deduction and credit are allocated so as to take into account the varying interests of the Token Holders over the term of the Company. Treasury Regulations provide that allocations of items of Company income, gain, loss and deduction will be respected for tax purposes if such allocations

have "substantial economic effect," or are determined to be in accordance with the Token Holders' interests in the Company. It is possible that the IRS could challenge the Company's allocations as not being in compliance with such Treasury Regulations. Any resulting reallocation of tax items may have adverse tax and financial consequences to a U.S. Token Holder.

Limits on Deductions for Losses and Expenses

It is possible that expenses and losses of the Company could exceed the Company's investment income and gain in a given year. In general, each U.S. Token Holder will be entitled to deduct its allocable share of the Company's net losses to the extent of its tax basis in its Tokens at the end of the tax year in which the losses are recognized. However, Company losses and various Company expenses allocable to certain U.S. Token Holders may be subject to limits on deductibility for U.S. federal income tax purposes. For example, limitations that may apply for U.S. Token Holders who are individuals or certain closely held corporations include limitations relating to "passive losses," amounts "at risk," "investment interest," "excess business losses" and "miscellaneous itemized deductions."

A U.S. Token Holder that is subject to the "at risk" limitations (generally, non-corporate taxpayers and closely held corporations) may not deduct losses of the Company to the extent that they exceed the amount such Token Holder has "at risk" with respect to its Tokens at the end of the year. The amount that a U.S. Token Holder has "at risk" will generally be the same as its adjusted basis as described above, except that it will generally not include any amount attributable to liabilities of the Company (other than certain loans secured by real property and certain other assets of the Company) or any amount borrowed by the U.S. Token Holder that is secured by the U.S. Token Holder's Tokens on a nonrecourse basis. Losses denied under the basis or "at risk" limitations are suspended and may be carried forward in subsequent taxable years, subject to these and other applicable limitations.

Under the "passive loss" rules, the Code prohibits the current use of losses and credits from a business activity in which the taxpayer does not materially participate to offset other income, including salary, active business income, and portfolio income (such as dividends, interest and royalties, whether derived from property held directly or through a pass-through entity such as a partnership or LLC). The Company expects to hold assets that give rise to, or are of a type that gives rise to, gross income from interest or dividends not derived in the ordinary course of a trade or business. Such income cannot be offset by losses of a U.S. Token Holder from other sources that are subject to limits on deductibility of passive losses, and it is possible that, if the Company had losses and income from different types of activities, certain U.S. Token Holders may not be able to use losses from the Company to offset other income from the Company. Generally, passive losses in excess of passive income are carried forward until the complete disposition of the "activity" in which the losses were incurred in a taxable transaction. It is possible that the disposition of any particular investment will not be treated as a disposition of an entire "activity" because all of the investments may be treated as one large single "activity." In this case, a loss on the disposition of any particular investment would not be immediately deductible and might have to be carried forward until either there was sufficient passive income to offset it or until the final liquidation of the Company.

Section 461(*l*) of the Code denies a deduction to non-corporate taxpayers for any excess business loss for tax years beginning before January 1, 2029. An excess business loss for the taxable year is the excess of aggregate deductions attributable to trades or businesses of the taxpayer (determined without regard to the limitation of the provision), over the sum of aggregate gross income or gain of the taxpayer plus a threshold amount (generally $250,000, or $500,000 for married taxpayers filing jointly). The excess business loss rules apply only after the application of the passive activity loss rules described above. In particular, the excess business loss rules may limit the use of losses previously disallowed under the passive activity rules when the passive activity is disposed of and, as a result, the losses are no longer subject to the passive activity loss limitation. To the extent those losses exceed the threshold amount, they become part of a taxpayer's net operating loss and are carried forward to subsequent years.

If management fees and any other Company expenses are treated as "miscellaneous itemized deductions," non-corporate taxpayers are not entitled to deduct such items in taxable years beginning before January 1, 2026, and for taxable years starting after December 31, 2025, deductions for such items would be subject to limitations, including a limitation permitting deduction only to the extent such deductions exceed 2% of the taxpayer's "adjusted gross income." In addition, with respect to any taxable year beginning after December 31, 2025, in the case of a U.S. Token Holder who is an individual, if such U.S. Token Holder's adjusted gross income exceeds a threshold amount (adjusted for inflation each year), certain itemized deductions are further reduced by the lesser of (i) 3% of the U.S. Token

Holder's adjusted gross income in excess of a threshold amount that is increased annually to account for inflation or (ii) 80% of the amount of the itemized deductions otherwise allowable during the taxable year. Moreover, "miscellaneous itemized deductions" are not deductible by a non-corporate taxpayer in calculating its alternative minimum tax.

U.S. Token Holders generally can deduct capital losses only to the extent of their capital gains. Accordingly, the Company could suffer significant capital losses, and a U.S. Token Holder could still be required to pay taxes on, for example, its share of the Company's ordinary income. Non-corporate U.S. Token Holders cannot carry back capital losses but can carry them forward indefinitely.

To the extent that the Company has interest expense, a non-corporate U.S. Token Holder may be subject to the limitation on the deduction of "investment interest" under the Code. Investment interest includes interest paid or accrued on indebtedness incurred or continued to purchase or carry property held for investment and short sale expenses. Investment interest is not deductible in the current taxable year to the extent it exceeds a taxpayer's net "investment income," consisting of net gain and ordinary income in the current year from investments. For the purposes of this limitation, net long-term capital gains are generally excluded from the computation of investment income, unless the taxpayer elects to pay tax on such gain at ordinary income tax rates.

If the limitations on investment interest apply, a non-corporate U.S. Token Holder could be denied a deduction for all or part of its distributive share of the Company's interest expense unless it had sufficient investment income from all sources, including the Company. In such case, a U.S. Token Holder that could not currently deduct losses as a result of the application of these limitations would be entitled to carry such amounts forward to future years when the same limitations would again apply. The limitations on the deductibility of investment interest would apply also to interest paid by a Token Holder on debt incurred to finance its investment in the Company. **Prospective investors should consult their own tax advisers regarding the application of these rules to an investment in the Company.**

Organizational and Syndication Expenses

In general, neither the Company nor any U.S. Token Holder may currently deduct organizational or syndication expenses. An election may be made by the Company (a) to deduct an amount of its organizational expenses equal to $5,000 (reduced by the amount by which such expenses exceed $50,000) and (b) to amortize the remainder of its organizational expenses over a 180-month period. Syndication expenses (including placement fees) must be capitalized and cannot be amortized or otherwise deducted. A portion of the fees paid to the Asset Manager may be treated as syndication expenses. However, the capitalization of such syndication expenses and unamortized organizational expenses may result in increased capital loss or decreased capital gain on the disposition or liquidation of Tokens.

Sale or Exchange of U.S. Token Holder Tokens

A U.S. Token Holder that sells or otherwise disposes of Tokens in a taxable transaction, generally will recognize gain or loss equal to the difference, if any, between its adjusted basis in the Tokens and the amount realized from the sale or disposition. The amount realized will include the U.S. Token Holder's share of the Company's liabilities outstanding at the time of the sale or disposition. Except as otherwise described below with respect to "inventory items" and "unrealized receivables" of the Company, if the U.S. Token Holder holds Tokens as a capital asset, the gain or loss generally will constitute capital gain or loss to the extent a sale of assets by the Company would qualify for such treatment. Gain or loss on disposition of Tokens generally will be long-term capital gain or loss if the U.S. Token Holder has held its Tokens for more than one year on the date of such sale or disposition; *provided*, that a capital contribution by the U.S. Token Holder to the Company within the one-year period ending on such date will cause part of such gain or loss to be short-term capital gain or loss. The portion of the U.S. Token Holder's gain allocable to (or amount realized, in excess of basis, attributable to) "inventory items" and "unrealized receivables" of the Company, as defined in Section 751 of the Code, will be treated as ordinary income.

In the event of a sale or other transfer of Tokens at any time other than the end of the Company's taxable year, the share of income and losses of the Company for the year of transfer attributable to the transferred Tokens will be allocated for federal income tax purposes between the transferor and the transferee on either an interim closing-of-

the-books basis or a *pro rata* basis reflecting the respective periods during such year that each of the transferor and the transferee owned the Tokens.

Mandatory Basis Adjustment

A transfer of Company interests and the distribution of Company property are subject to certain basis rules intended to limit the use of entities taxed as partnerships for U.S. federal income tax purposes to shift or duplicate losses. These rules effectively make an election under Section 754 of the Code mandatory in certain situations, resulting in an adjustment to the tax basis of the Company's assets. For example, an entity taxed as a partnership for U.S. federal income tax purposes (other than a entity that has elected to be treated as an "electing investment partnership") must make basis adjustments under Section 743 of the Code following a transfer of a partnership interest if the Token Holders has a built-in loss of $250,000 or more as if such partnership had made an election under Section 754 of the Code, whether or not such an election is actually in effect. This mandatory basis adjustment would affect the transferee Token Holder, but not the other Token Holders. There are similar provisions governing an in-kind distribution of property that has a built-in loss of $250,000 or more, although it is not currently anticipated that the Company will make distributions that would cause those provisions to apply.

Medicare Tax on Net Investment Income

High-income U.S. individuals, estates and trusts are subject to an additional 3.8% tax on net investment income. For these purposes, net investment income includes interest, dividends, gains from sales of debt instruments and stock and income derived from a passive activity or a trade or business of trading in financial instruments or commodities. In the case of an individual, the tax will be 3.8% of the lesser of: (1) the individual's net investment income; or (ii) the excess of the individual's modified adjusted gross income over (a) $250,000 in the case of a married individual filing a joint return or a surviving spouse, (b) $125,000 in the case of a married individual filing a separate return or (c) $200,000 in the case of a single individual.

Alternative Minimum Tax

Prospective U.S. Token Holders may be subject to the alternative minimum tax ("AMT") and should consider the tax consequences of an investment in the Company in view of their AMT position, taking into account the special rules that apply in computing the AMT, including the adjustments to depreciation deductions, the special limitations on the use of net operating losses and, in the case of individual taxpayers, the compete disallowance of miscellaneous itemized deductions and deductions for state and local taxes.

Passive Foreign Investment Companies

The Company's ownership of the Property or similar entity organized under foreign law may be treated as ownership of a passive foreign investment company ("PFIC") under the Code. Generally, distributions from a PFIC in excess of a certain average level or any gain on sale of an interest in a PFIC is taxed as ordinary income and subject to an additional interest charge. Such income would be treated as earned by the Token Holders, and a Token Holder that sells its interests in the Company would be deemed to have sold its pro rata share of any PFIC stock held by the Company. An election (a "QEF Election") can be made by a U.S. shareholder of a PFIC and, if made, avoids the PFIC consequences described above. If a valid QEF Election is made and is applicable to a Token Holder, the Token Holder will be required to include its share of the ordinary earnings and net capital gains of the PFIC. However, the PFIC must make certain information available to the Company in order for the Company to complete the election or the Company will be ineligible to make the QEF Election, and it is unknown whether any PFIC in which the Company may acquire an interest in will provide such information. This election generally must be made by the U.S. Person in the ownership chain who has the most direct interest in the PFIC. It cannot be assured that the Managing Members will make QEF Elections in relation to any such PFICs in which the Company invests. Alternatively, a U.S. shareholder of "marketable stock" in a PFIC may choose to avoid the PFIC consequences described above by electing to mark-to-market such stock and include in income any gain or loss realized as ordinary income. Treasury Regulations provide for limited expansion of the types of stock for which a mark-to-market election may be made, but this election is generally limited to stock which is exchange-traded (or similar market) and options on such stock. Similar to the QEF Election, this election generally must be made by the U.S. Person in the ownership chain who has the most direct ownership interest in the PFIC. The Managing Members may, but are not required to, elect to cause

current recognition of income by making such an election for any eligible stock for which a QEF Election has not been made.

Each U.S. Token Holder should consult its tax advisor regarding the foregoing U.S. federal income tax rules applicable to indirect investments in PFICs in connection with its investment in the Company.

Controlled Foreign Corporations

The Company may be treated as owning interests in entities that are considered controlled foreign corporations ("CFCs"). A CFC is a foreign corporation that is more than 50% owned by shareholders that are U.S. Persons and who own at least 10% of the stock of the foreign corporation (measured by vote or value) ("U.S. Shareholders"). For these purposes, Treasury Regulations permit U.S. Token Holders to use a look-through rule with respect to such U.S. Token Holder's ownership of an interest in a CFC through the Company. If a U.S. Token Holder owns, directly, indirectly, or constructively, 10% or more of the total combined voting power or total value of shares of all classes of stock of a CFC, then such U.S. Token Holder may be a U.S. Shareholder and be required to currently accrue a proportionate share of certain income ("Subpart F Income") earned by the CFC, even if the CFC does not distribute such income currently or, in certain cases, if the CFC invests in U.S. property. This would result in U.S. Token Holders being taxed on amounts of income that they have not yet received. Notwithstanding the look-through rule described above, if the Company becomes a U.S. Shareholder with respect to a CFC, gain realized by the Company with respect to a sale of stock of a corporation that is a CFC (or that has been a CFC in the prior five years) may under certain circumstances be treated as ordinary income rather than capital gain.

A U.S. Shareholder (taking into account the look-through rule described above) of any CFC must also include in its gross income, its pro rata share of any global intangible low-taxed income ("GILTI"), in a manner generally similar to inclusions of Subpart F Income. For corporate U.S. Shareholders, GILTI is effectively taxed at 10.5% until December 31, 2025 and effectively taxed at 13.125% thereafter. Generally, a foreign tax credit at 80% may be applied against a U.S. Shareholder's GILTI tax liability. If a U.S. Token Holder satisfies the share ownership test for treatment as a U.S. Shareholder of a CFC, as described above, such U.S. Token Holder generally would be required to include in gross income, as a deemed dividend, its pro rata share of any GILTI of the CFC. A non-corporate U.S. Token Holder may elect to be taxed as a corporation for purposes of the Subpart F and GILTI rules in order to avail itself of the effective tax rates and foreign tax credits described above.

Each U.S. Token Holder should consult its tax advisor regarding the foregoing U.S. federal income tax rules applicable to indirect investments in CFCs in connection with its investment in the Company.

Taxation of Non-U.S. Token Holders

In general, the tax treatment of a Non-U.S. Token Holder will depend on whether the Company is deemed to be engaged in a U.S. trade or business and earns income that is effectively connected with the conduct of a U.S. trade or business ("ECI"). There can be no assurance that a Non-U.S. Token Holder will not be required to file a U.S. federal tax return and/or pay tax in the U.S. as a result of the Non-U.S. Token Holder's investment in the Company.

Provided that the Company is not engaged in a U.S. trade or business, and subject to any withholding taxes as described below, it is anticipated that Non-U.S. Token Holders that are not otherwise subject to U.S. federal income tax will generally not be subject to U.S. federal capital gains tax on gain from the sale of the Company's investment in the Property unless the Non-U.S. Token Holder is a nonresident alien individual present in the U.S. for a period or periods aggregating 183 days or more during the taxable year and certain other conditions are met. Each Non-U.S. Token Holder is urged to consult with its own tax advisors regarding the U.S. federal, state, local and non-U.S. tax treatment of its investment in the Company.

Investment Income

Any U.S.-source "fixed or determinable, annual or periodic income" that is not ECI that is paid to the Company and is allocable to a Non-U.S. Token Holder generally will be subject to a 30% withholding tax unless a lower rate or exemption applies pursuant to an applicable income tax treaty. U.S-source interest paid to the Company that is not ECI and that is allocable to a Non-U.S. Token Holder will also be subject to a 30% withholding tax unless such interest

qualifies as "portfolio interest," another statutory exception applies, or a lower rate or exemption applies pursuant to an applicable income tax treaty. Portfolio interest generally includes (with certain exceptions) interest paid on registered obligations with respect to which the beneficial owner provides a statement that it is not a U.S. Person. The portfolio interest exemption is not available with respect to interest paid to a 10% shareholder of the issuer of the indebtedness and is subject to certain other limitations. A Non-U.S. Token Holder who is resident for tax purposes in a country with respect to which the United States has an income tax treaty may be eligible for a reduced rate of withholding on such Non-U.S. Token Holder's distributive share of U.S.-source interest.

FATCA

Under sections of the Code, commonly referred to as "FATCA," withholding at a rate of 30% will be required on U.S.-source dividends, interest and certain other types of income paid to certain foreign financial institutions (including investment funds), unless such institution enters into an agreement with the Secretary of the Treasury (unless alternative procedures apply pursuant to an applicable intergovernmental agreement between the United States and the relevant foreign government) to report, on an annual basis, information with respect to shares in, and accounts maintained by, the institution to the extent such shares or accounts are held by certain U.S. Persons or by certain non-U.S. entities that are wholly or partially owned by U.S. Persons. Accordingly, the entity through which Tokens are held will affect the determination of whether such withholding is required. Similarly, U.S.-source dividends, interest and certain other types of income of an investor that is a passive non-financial non-U.S. entity will be subject to withholding at a rate of 30%, unless such entity either (i) certifies to us that such entity does not have any "substantial U.S. owners" or (ii) provides certain information regarding the entity's "substantial U.S. owners," which we will in turn provide to the Secretary of the Treasury.

30% withholding under FATCA was scheduled to apply to payments of gross proceeds from the sale or other disposition of property that produces U.S.-source interest or dividends beginning on January 1, 2019, but on December 13, 2018, the IRS released proposed Treasury Regulations that, if finalized in their proposed form, would eliminate the obligation to withhold on gross proceeds. Such proposed Treasury Regulations also delayed withholding on certain other payments received from other foreign financial institutions that are allocable, as provided for under final Treasury Regulations, to payments of U.S.-source dividends, and other fixed or determinable annual or periodical income. Taxpayers may rely on these proposed Treasury Regulations until they are finalized or withdrawn.

The Company may be required to withhold 30% of distributions to Token Holders that are non-U.S. partnerships or corporations unless those Token Holders provide the Company with information regarding their U.S. partners or shareholders, which information will be required to be disclosed to the United States Treasury. **Prospective investors should consult their tax advisers regarding this legislation**.

Taxation of Tax-Exempt Token Holders

Income recognized by an entity that is exempt from U.S. federal income tax generally is exempt from U.S. federal income tax except to the extent the income constitutes unrelated business taxable income ("UBTI"). The amount of UBTI, if any, that will be realized by Token Holders that are generally exempt from U.S. federal taxation ("Tax-Exempt Token Holders") will depend on the nature of the Company's operations and investments. With exceptions for certain types of tax-exempt entities, UBTI is generally defined as income from a trade or business regularly carried on by a tax-exempt entity that is unrelated to its exempt purpose (including an unrelated trade or business regularly carried on by a Token Holders of which the entity is a partner). Subject to the discussion of the "debt-financed property" rules discussed below, UBTI generally does not include dividends, interest or rents from real property, subject to certain exceptions, or gains from the sale of property that is neither inventory nor held for sale to customers in the ordinary course of business, but does include operating income from operating assets that are held in a "flow-through" entity for U.S. federal income tax purposes. UBTI may be adjusted by deductions for certain expenses attributable to the unrelated trade or business. A tax-exempt entity deriving gross income characterized as UBTI that exceeds $1,000 in any taxable year is obligated to file a federal income tax return, even if it has no tax liability for that year as a result of deductions against such gross income, including an annual $1,000 statutory deduction. A Tax-Exempt Token Holder with an interest in more than one unrelated trade or business may be required to separately compute its UBTI with respect to each trade or business. As a result, deductions or losses from one unrelated trade or business may not be used to offset UBTI from a different unrelated trade or business. However, this limitation does

not apply with respect to UBTI net operating loss carryforwards generated in taxable years ending prior to January 1, 2018, and the IRS has issued guidance that may allow a tax-exempt entity to aggregate UBTI income and losses from other investment funds in which such tax-exempt entity invests.

If a Tax-Exempt Token Holder's acquisition of Tokens is debt-financed, or the Company incurs "acquisition indebtedness" with respect to an investment, then, all or a portion of the income attributed to the debt-financed property would be included in UBTI regardless of whether such income would otherwise be excluded as dividends, interests, rents, gain or loss from the sale of eligible property, or other similar income. In the case of ordinary income from debt-financed property, such income would be included in UBTI only in tax years in which the Tax-Exempt Token Holder or the Company had acquisition indebtedness outstanding. In the case of gain from a sale of debt-financed property, such gain would be included in UBTI if the Tax-Exempt Token Holder or the Company had acquisition indebtedness outstanding with respect to the property at any time during the 12-month period prior to the sale.

If the Company invests in a flow-through entity that is, directly or indirectly through one or more flow-through entities, engaged in a trade or business, income derived by the Company generally will be treated as UBTI. Income from a business includes income from certain real-estate-related businesses, such as hotels or senior living facilities. In addition, fee income actually received or deemed to be received by the Company or the Token Holders may be treated as UBTI in certain circumstances.

The potential for having income characterized as UBTI may have a significant effect on any investments by a Tax-Exempt Token Holder in the Company and may make an investment in the Company unsuitable for some U.S. tax-exempt entities. ***Tax-Exempt Token Holders should consult their own tax advisers regarding all aspects of UBTI.***

Offering Not Under Conditions of Confidentiality

The Company is not intended to be a so called "tax shelter." To the extent disclosure would not violate federal or state securities or other applicable laws, each Token Holder (and each employee, representative, or other agent of such Token Holder) is authorized to disclose to any and all persons, without limitation of any kind, the "tax treatment" and the "tax structure" (within the meaning of Section 1.6011-4 of the Treasury Regulations) of the Company and all materials of any kind (including opinions or other tax analyses) that are provided to such Token Holder relating to such tax treatment or tax structure, except that, with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the Company as well as other information, this authorization shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the Company.

Taxpayers engaging in certain transactions (and their advisors), including transactions where a taxpayer recognizes a loss in excess of a threshold amount, may be subject to reporting and recordkeeping requirements applicable to tax shelters under the Code and the Treasury Regulations. Among other instances, Token Holder may be subject to these requirements in the event that any loss they recognize on a sale of an interest in the Company exceeds a threshold amount. Investors should consult their own tax advisors regarding their reporting and recordkeeping obligations under the Code and the Treasury Regulations.

Tax Shelter Reporting Rules

The Company may engage in transactions or make investments that would subject the Company, its Token Holders that are obliged to file U.S. tax returns and/or its advisers to special rules requiring such transactions or investments by the Company, or investments in the Company, to be reported and/or otherwise disclosed to the IRS, including to the IRS's Office of Tax Shelter Analysis (the "Tax Shelter Rules"). Although the Company does not expect to engage in transactions solely or principally for the purpose of achieving a particular tax consequence, there can be no assurance that the Company will not engage in transactions that trigger the Tax Shelter Rules. In addition, a Token Holder may have disclosure obligations with respect to its Tokens if the Token Holder (or the Company in certain cases) participates in a reportable transaction.

Potential investors should consult their own tax advisers about their obligation to report or disclose to the IRS information about their investment in the Company and participation in the Company's income, gain, loss, deduction or credit with respect to transactions or investments subject to these rules.

In addition, pursuant to the Tax Shelter Rules, the Company may provide to its advisers identifying information about the Company's investors and their participation in the Company and the Company's income, gain, loss, deduction or credit from transactions or investments that are subject to the Tax Shelter Rules, and the Company or its advisers may disclose this information to the IRS upon its request.

Possible Legislative or Other Actions Affecting Tax Aspects

The present U.S. federal income tax treatment of an investment in the Company may be modified by legislative, judicial or administrative action at any time, and any such action may affect the treatment of such investment. The U.S. federal income tax rules are constantly under review by persons involved in the legislative process and by the IRS and U.S. Treasury Department, resulting from time to time in the adoption of new Treasury Regulations or changes to existing Treasury Regulations, revised interpretations of established concepts, as well as statutory changes. Any changes in the U.S. federal tax laws or interpretations thereof could adversely affect the tax treatment of an investment in the Company. The U.S. Congress is continuously scrutinizing the U.S. federal income tax treatment of entities taxed as partnerships for U.S. federal income tax purposes, and there can be no assurance that additional legislation will not be enacted that has an unfavorable effect on an investment in the Company. Prospective investors should consult their own tax advisers regarding proposed legislation.

STATE AND LOCAL TAXES

Each Token Holder may be liable for state and local income taxes payable in the state or locality in which the Token Holder is a resident or doing business and may be liable for state and local taxes in the state or locality in which the Company is doing business. The income tax laws of each state and locality may differ from the above discussion of U.S. federal income tax laws, and may impose additional limitations on the deductibility of Company losses and expenses. For taxable years beginning before January 1, 2026, individuals may not deduct more than $10,000 of state and local taxes.

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Token Holders must consult their own advisers regarding the possible applicability of state, local or foreign taxes to an investment in the Company. The foregoing summary is not intended as a substitute for professional tax advice, nor does it purport to be a complete discussion of all tax consequences that could apply to this investment.

APPENDIX A. FORM OF SUBSCRIPTION AGREEMENT

[See Following Page]

APPENDIX B. LIMITED LIABILITY COMPANY AGREEMENT

[See Following Page]