

**SUPPLEMENT NO. 1 DATED APRIL 25, 2023, TO THE
CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM
DATED MARCH 22, 2023, OF
LIV DEVELOPMENT FUND I, LP**

LIV Development Fund I, LP, a Delaware limited partnership (the “Fund”), provides the information contained in this Supplement No. 1 dated April 25, 2023 (this “Supplement”) to the Confidential Private Placement Memorandum dated March 22, 2023 (the “Memorandum”) to amend, modify, and supplement certain information contained in the Memorandum.

NOTICE TO PROSPECTIVE INVESTORS

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exhibits thereto and incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Supplement to the extent that a statement contained herein modifies or supersedes such statement in the Memorandum. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Supplement.

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

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

MODIFIED OR UPDATED INFORMATION

1. **Potential Acquisition Targets.** The following hereby updates and amends all provisions of the Memorandum that describe Initial Acquisition Targets or Potential Acquisition Targets (as the context may require), including as set forth under the heading “EXECUTIVE SUMMARY” on page 2 of the Memorandum, under the headings “SUMMARY OF PRINCIPAL TERMS” and “Initial Acquisition Targets” on page 13 of the Memorandum, and under the heading “CERTAIN RISK FACTORS” on page 40 of the Memorandum:

As of the date of this Supplement, the Fund has not yet acquired or entered into any agreements to acquire any specific assets. The Fund has identified potential acquisition targets in the Charlotte, North Carolina, Birmingham, Alabama, and Jacksonville, Florida areas, which are described on Exhibit D. LIV Development and/or its affiliates have entered into agreements to acquire the properties, which agreements, if the projects proceed to closing, are expected to be assigned to a subsidiary of the Fund on or about the date on which the Fund subsidiary acquires the property. There can be no assurance that the Fund will ultimately acquire any of the opportunities described on Exhibit D.

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EXHIBIT D

POTENTIAL ACQUISITION TARGETS

DISCLAIMERS

THIS EXHIBIT D CONTAINS CERTAIN STATEMENTS THAT MUST BE DEEMED “FORWARD-LOOKING” STATEMENTS UNDER SECTION 27A OF THE SECURITIES ACT, INCLUDING, AMONG OTHER THINGS, DISCUSSIONS OF OUR BUSINESS PLANS AND STRATEGIES, EXPECTATIONS CONCERNING FINANCIAL POSITION, MARKET POSITION, ANTICIPATED REVENUES AND PERFORMANCE, FUTURE OPERATIONS, PROFITABILITY, LIQUIDITY AND CAPITAL RESOURCES. WORDS INCLUDING, BUT NOT LIMITED TO, “MAY,” “ANTICIPATE,” “EXPECT” AND “BELIEVE” INDICATE FORWARD-LOOKING STATEMENTS. ALTHOUGH WE BELIEVE THAT THE EXPECTATIONS REFLECTED IN SUCH FORWARD-LOOKING STATEMENTS ARE GENERALLY REASONABLE AND REFLECT THE CURRENT VIEWS OF OUR GENERAL PARTNER, SUCH STATEMENTS ARE INHERENTLY UNCERTAIN, AND WE CAN GIVE NO ASSURANCE THAT SUCH STATEMENTS WILL ULTIMATELY PROVE TO BE CORRECT. AS SUCH, ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY THE FORWARD-LOOKING STATEMENTS.

ALL PHASES OF OUR BUSINESS ARE SUBJECT TO A NUMBER OF UNCERTAINTIES AND RISKS, MANY OF WHICH ARE OUTSIDE OUR CONTROL, AND ANY ONE OF WHICH, OR ANY COMBINATION OF WHICH, COULD MATERIALLY ADVERSELY AFFECT OUR RESULTS. IMPORTANT FACTORS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM SUCH STATEMENTS. THEREFORE, YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS.

ALL OF THE FORWARD-LOOKING STATEMENTS MADE IN THIS EXHIBIT D AND ELSEWHERE IN THE MEMORANDUM (AS SUPPLEMENTED FROM TIME TO TIME) ARE QUALIFIED BY THESE CAUTIONARY STATEMENTS, AND THERE CAN BE NO ASSURANCE THAT THE ACTUAL RESULTS OR DEVELOPMENTS THAT WE HAVE ANTICIPATED WILL BE REALIZED. EVEN IF THE RESULTS AND DEVELOPMENTS IN OUR FORWARD-LOOKING STATEMENTS ARE SUBSTANTIALLY REALIZED, THERE IS NO ASSURANCE THAT THEY WILL HAVE THE EXPECTED CONSEQUENCES TO, OR EFFECTS ON, OUR BUSINESS.

As of the date of this Supplement, LIV Development is conducting due diligence on three potential assets for the Fund:

Livano Lake Norman Charlotte, North Carolina

Livano Lake Norman is a lakeside retreat nestled between the beautiful, historic towns of Mooresville and Davidson, North Carolina. Since 2000, Mooresville has grown over 60%. It’s considered one of the most coveted suburbs of Charlotte due to its quality of life and proximity to dominant employers. The project sits on a 341- acre lake surrounded by natural forest and abounding beauty. The 97-acre site straddles the Mecklenburg/ Iredell County line along I-77, approximately 20 miles north of Uptown. The surrounding area is heavily influenced by Lake Norman which is the largest man-made body of fresh water in North Carolina. Livano Lake Norman will also benefit from its location across from Lowe’s Corporate Headquarters, Corvid Technologies, and Ingersoll Rand Corporate Offices.

Phase I of the Livano Lake Norman will include 320 total units broken into 148 multifamily units, 104 townhomes, and 68 cottages. The project will feature a stand-alone clubhouse & fitness center with 8,000+ ft² of interior community space, a Livano workplace, a pet center, an outdoor lounge with a kitchen, a pool deck

with grilling stations, kayak/canoe storage, dock with community seating, and an outdoor fire pit amenity. The project will also include a waterfront restaurant and a 7,600 linear foot greenway bordering the shoreline with multiple access points to the development. The project has an opportunity for a Phase II which would cover 40 acres and include 257 units. The land cost for Phase II will be carried in Phase I and all necessary approvals for Phase II will also be complete by the land closing of Phase I.

Livano Liberty Park
Birmingham, Alabama

Livano Liberty Park will be the first high-end, luxury multifamily development in Liberty Park since 2000. Exceptionally located within the brand-new, mixed-use The Bray development, the project will offer residents a true live, work, play environment with endless, pristine retail, restaurant, and recreational options. The Bray at Liberty Park is a new 700-acre town village that offers a town green with a pavilion and outdoor space directly in front of Livano Liberty Park. Livano Liberty Park and The Bray are located within the City of Vestavia Hills. Since the 1950s, Vestavia Hills has been one of Birmingham's most desirable suburbs to live in. Livano Liberty Park will occupy the last zoned site for multifamily in Vestavia Hills.

Livano Liberty Park will be comprised of two buildings - one with 270 market-rate units and one with 180 age-restricted units. The market-rate units will have the finest amenities including: Livano retail space that will host local artists, market, fitness center, sky lounge, pet center, pickleball courts and an integrated clubhouse, bistro kitchen with seating, and LIV Workplace, taking advantage of the location fronting the park. The age-restricted units will have additional amenities such as a sauna, rent-able gathering spaces, storage units, putting green, golf simulator, and screening area with seating. Those units will also have a higher level of finishes with upgraded closets, soft-close cabinets, tile floors in the bathrooms, and upgraded carpets to further elevate and distinguish the age-restricted units.

Livano Sandy Creek
Jacksonville, Florida

Livano Sandy Creek is a 30-acre site in St. Johns County, Florida located in the southeast quadrant of Interstate 95 and County Road 210 West. The strategic location of Livano Sandy Creek will not only provide convenient access to Jacksonville and St. Augustine, but also to pristine beaches, top-of-the-line retail, and Nocatee, one of America's most luxurious communities. As the 14th largest MSA in the country, Jacksonville is well known for its attractions on both water and land. It boasts over 850 square miles of beaches and canals. St. Johns River offers numerous recreational and commercial activities. The city is also home to the nation's largest system of nature park trails. The city ranks as the 14th largest city in the United States and the MSA has over 1.64 million residents. Within the Jacksonville MSA, St. Johns County is currently the fastest growing county in Florida. Its population grew 52.9% from 2010-2021, while Florida's population grew only 15.6% during the same period. On top of the growth, St. Johns county was recently ranked as the #1 county in Florida for quality of life by the New York Times. St. Johns is also home to the top-rated public school system in Florida, making it an attractive option for families seeking job opportunities and a relaxed lifestyle at a lower cost of living.

Livano Sandy Creek is well positioned to meet Jacksonville's housing needs. It will feature 282 apartment units and 12 townhome units with a stand-alone clubhouse, fitness center, and pet center. Coastal and Spanish influences characterize the design to reflect the region's geography and history. The stand-alone clubhouse will include a full kitchen, state-of-the-art fitness center, leasable offices, lounges, and coffee bar. Exterior amenities include a resort-style pool, gas grills, fire pits, gathering areas, and pet care facility.

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**LIV DEVELOPMENT FUND I, LP**
(a Delaware limited partnership)**Minimum Subscription: \$250,000****Minimum Offering: \$30,000,000****Maximum Offering: \$120,000,000****\$250,000 per Unit of Limited Partnership Interest**

THIS OFFERING IS NOT A PUBLIC OFFERING. THE UNITS OF LIMITED PARTNERSHIP INTEREST (THE "LP UNITS") BEING OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER APPLICABLE STATE SECURITIES LAWS (THE "BLUE SKY LAWS") OR UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE LP UNITS ARE BEING OFFERED IN RELIANCE ON THE PRIVATE OFFERING EXEMPTION UNDER REGULATION D OF THE SECURITIES ACT AND ON EXEMPTIONS PROVIDED BY THE BLUE SKY LAWS. LIV DEVELOPMENT FUND I, LP (THE "FUND") IS NOT A REGISTERED INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT").

THE SALE OF THE LP UNITS HAS NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER STATE OR GOVERNMENTAL AGENCY, NOR HAVE SUCH AGENCIES PASSED UPON THE ACCURACY OR ADEQUACY OF THIS CONFIDENTIAL PRIVATE OFFERING MEMORANDUM (AS SUPPLEMENTED FROM TIME TO TIME, THIS "MEMORANDUM"). ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

AN INVESTMENT IN THE FUND INVOLVES SIGNIFICANT RISK AND IS SUITABLE ONLY FOR THOSE PERSONS OR ENTITIES ABLE TO BEAR THE LOSS OF ALL OR A SUBSTANTIAL PORTION OF THEIR INVESTMENT. THERE WILL BE NO PUBLIC MARKET FOR THE LP UNITS, AND THE LP UNITS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE FUND FOR AN INDEFINITE PERIOD OF TIME. PROSPECTIVE INVESTORS ARE URGED TO REVIEW AND CAREFULLY CONSIDER THE RISKS DESCRIBED IN THE SECTION OF THIS MEMORANDUM ENTITLED "CERTAIN RISK FACTORS."

LIV Development Fund I GP, LLC
General Partner

2204 Lakeshore Drive, Suite 450, Birmingham, AL 35209

Phone: (205) 484-2845

Jeff Hicks

E-mail: jeff@livdev.com

The date of this Confidential Private Placement Memorandum is
MARCH 22, 2023

INSTRUCTIONS

If, after carefully reviewing this Memorandum, you are interested in participating in the offering, please indicate your interest by completing, executing, and delivering the following materials:

1. **Subscription Agreement.** An executed copy of the Subscription Agreement in the form attached hereto as Exhibit B, including the Investor Information Sheet in the form attached to the Subscription Agreement as Attachment 1 thereto;
2. **Investor Questionnaire.** An executed copy of the Investor Questionnaire in the form attached to the Subscription Agreement as Attachment 2 thereto;
3. **Consent to Electronic Delivery.** An executed copy of the Consent to Electronic Delivery of U.S. Internal Revenue Service Schedule K-1 and Disclosure Statement in the form attached to the Subscription Agreement as Attachment 3 thereto;
4. **Signature Page to LP Agreement.** An executed copy of the Signature Page to the Amended and Restated Agreement of Limited Partnership of the Fund in the form attached to the Subscription Agreement as Attachment 4 thereto;
5. **IRS Tax Forms.** A properly completed U.S. Internal Revenue Service Tax Form W-9; and
6. **Evidence of Authorization.** Each prospective investor must provide satisfactory evidence of authorization, such as a list of authorized agents, and a current copy of a government-issued photo identification for the individual(s) authorized to sign the Subscription Agreement and, in the case of entities and trusts, documentation evidencing the authority of the signatory to act on behalf of and bind the investor. Please see the Instructions page to the Subscription Booklet attached hereto as Exhibit B for additional information.

Please deliver the Subscription Agreement, the Investor Questionnaire, the Consent to Electronic Delivery, the Signature Page to the LP Agreement, the U.S. Internal Revenue Service Tax Forms, and Evidence of Authorization by scanning and emailing such documents as promptly as possible to Jeff Hicks, at jeff@livdev.com, in each case with originals to follow via overnight mail to the following address:

LIV Development Fund I GP, LLC
2204 Lakeshore Drive, Suite 450
Birmingham, Alabama 35209
Attention: Jeff Hicks

After receipt of the above documents, the General Partner or its legal counsel will contact the prospective investor if such documents are incomplete, if the prospective investor is not eligible to subscribe for the LP Units, if the General Partner requires additional information about the prospective investor or its beneficial owners, or if the prospective investor's requested amount of investment has been reduced.

If the prospective investor's subscription is accepted (in whole or in part) by the General Partner, a fully executed set of the subscription documents will be returned to the investor.

Should you have any questions, please contact Jeff Hicks at (205) 484-2845 or via email at jeff@livdev.com.

IMPORTANT NOTICE TO INVESTORS

THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND THE EXHIBITS HERETO (COLLECTIVELY, THE "MEMORANDUM") IS BEING FURNISHED ON A CONFIDENTIAL BASIS TO SELECTED ELIGIBLE PROSPECTIVE INVESTORS FOR THE PURPOSE OF EVALUATING AN INVESTMENT IN LIMITED PARTNER INTERESTS IN LIV DEVELOPMENT FUND I, LP, A DELAWARE LIMITED PARTNERSHIP (THE "FUND"), AND SETS FORTH CERTAIN INFORMATION ABOUT THE FUND THAT A PROSPECTIVE INVESTOR SHOULD EXAMINE BEFORE INVESTING IN THE FUND. THIS MEMORANDUM AND THE INFORMATION CONTAINED HEREIN MAY NOT BE REPRODUCED OR DISTRIBUTED TO OTHERS, AT ANY TIME, IN WHOLE OR IN PART, FOR ANY PURPOSE, AND MAY NOT BE USED FOR ANY OTHER PURPOSE, WITHOUT THE PRIOR WRITTEN CONSENT OF LIV DEVELOPMENT FUND I GP, LLC, A DELAWARE LIMITED LIABILITY COMPANY (THE "GENERAL PARTNER"), AND ALL RECIPIENTS AGREE THAT THEY WILL KEEP CONFIDENTIAL ALL INFORMATION CONTAINED HEREIN NOT ALREADY IN THE PUBLIC DOMAIN AND WILL USE THIS MEMORANDUM FOR THE SOLE PURPOSE OF EVALUATING A POSSIBLE INVESTMENT IN THE FUND. ACCEPTANCE OF THIS MEMORANDUM BY PROSPECTIVE INVESTORS CONSTITUTES AN AGREEMENT TO BE BOUND BY THE FOREGOING TERMS.

THIS MEMORANDUM SETS FORTH THE INVESTMENT OBJECTIVES AND STRATEGIES OF THE FUND AND CERTAIN OTHER PERTINENT INFORMATION. HOWEVER, THIS MEMORANDUM DOES NOT SET FORTH ALL OF THE TERMS AND PROVISIONS OF THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF THE FUND (THE "LP AGREEMENT"), THE FORM OF WHICH IS ATTACHED TO THIS MEMORANDUM AS EXHIBIT A. EACH PROSPECTIVE LIMITED PARTNER SHOULD REVIEW CAREFULLY THIS MEMORANDUM, THE PARTNERSHIP AGREEMENT AND THE SUBSCRIPTION DOCUMENTS, THE FORMS OF WHICH ARE ATTACHED AS EXHIBIT B TO THIS MEMORANDUM.

THIS MEMORANDUM IS SUBMITTED TO YOU SOLELY IN CONNECTION WITH YOUR CONSIDERATION OF AN INVESTMENT IN THE FUND AND DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE LP UNITS IN ANY STATE OR JURISDICTION IN WHICH THE OFFER OR SALE OF THE LP UNITS WOULD BE PROHIBITED OR TO ANY ENTITY OR INDIVIDUAL NOT POSSESSING THE QUALIFICATIONS DESCRIBED IN THIS MEMORANDUM. THE PURCHASE OF LP UNITS IS OFFERED ONLY TO THOSE INVESTORS WHO ARE ELIGIBLE INVESTORS AS DESCRIBED HEREIN.

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND ARE INTENDED OR SHOULD BE INFERRED WITH RESPECT TO THE ECONOMIC RETURN OR THE TAX CONSEQUENCES FROM AN INVESTMENT IN THE FUND. NO ASSURANCE CAN BE GIVEN THAT EXISTING LAWS WILL NOT BE CHANGED OR INTERPRETED ADVERSELY TO THE FUND OR ITS LIMITED PARTNERS. PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THIS MEMORANDUM AS LEGAL OR TAX ADVICE. EACH INVESTOR SHOULD CONSULT HIS OR HER OWN COUNSEL AND ACCOUNTANT AS TO LEGAL, BUSINESS, TAX, ACCOUNTING, U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED, AND OTHER RELATED MATTERS CONCERNING AN INVESTMENT IN THE FUND

NO OFFERING LITERATURE OR ADVERTISING IN ANY FORM SHALL BE EMPLOYED IN THE OFFERING OF THE LP UNITS BY THE FUND OTHER THAN THIS MEMORANDUM AND ANY OTHER SALES MATERIAL PREPARED BY THE FUND OR ITS AUTHORIZED REPRESENTATIVES. ANY INFORMATION NOT CONTAINED IN THIS MEMORANDUM OR SUCH SALES MATERIALS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE FUND.

A PROSPECTIVE INVESTOR SHOULD NOT SUBSCRIBE FOR LP UNITS UNLESS SATISFIED THAT SUCH PROSPECTIVE INVESTOR AND/OR SUCH PROSPECTIVE INVESTOR'S INVESTMENT REPRESENTATIVE HAVE ASKED FOR AND RECEIVED ALL INFORMATION WHICH WOULD ENABLE THE INVESTOR OR BOTH OF THEM TO EVALUATE THE MERITS AND RISKS OF THE PROPOSED INVESTMENT IN THE FUND.

THE FUND SHALL MAKE AVAILABLE TO EACH INVESTOR, OR SUCH INVESTOR'S INVESTMENT REPRESENTATIVE, DURING THIS OFFERING AND PRIOR TO THE SALE OF LP UNITS TO SUCH INVESTOR, THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE FUND AND THE GENERAL PARTNER AND TO OBTAIN ANY ADDITIONAL INFORMATION RELATED TO THE FUND TO THE EXTENT THE FUND POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

IN MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE FUND AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THIS OFFERING IS BEING MADE TO ACCREDITED INVESTORS ONLY (AS DEFINED ON EXHIBIT C ATTACHED HERETO) AND IS SUITABLE ONLY FOR SOPHISTICATED INVESTORS AND REQUIRES THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE RISKS AND LACK OF LIQUIDITY INHERENT IN AN INVESTMENT IN THE FUND. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. NO ASSURANCE CAN BE GIVEN THAT THE FUND'S INVESTMENT OBJECTIVES WILL BE ACHIEVED.

THIS MEMORANDUM CONSTITUTES AN OFFER ONLY TO THE PERSON WHOSE NAME APPEARS IN THE APPROPRIATE SPACE PROVIDED ON THE COVER PAGE OF THIS MEMORANDUM AND ONLY THEN IF DELIVERY OF THIS MEMORANDUM IS PROPERLY AUTHORIZED BY THE FUND. THIS MEMORANDUM HAS BEEN PREPARED BY THE FUND SOLELY FOR THE BENEFIT OF PERSONS INTERESTED IN INVESTING IN THE FUND, AND ANY REPRODUCTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER, IS PROHIBITED. NOTWITHSTANDING THE FOREGOING, AN OFFEREE MAY, WITHOUT THE FUND'S CONSENT, PROVIDE A COPY OF THIS MEMORANDUM (OR ANY PORTION THEREOF) TO SUCH OFFEREE'S LEGAL OR TAX ADVISERS OR TO ANY TAXING AUTHORITY OR OTHERWISE AS SET FORTH UNDER "CERTAIN TAX CONSIDERATIONS."

STATEMENTS MADE IN THIS MEMORANDUM ARE MADE AS OF THE DATE OF THE INITIAL DISTRIBUTION OF THIS MEMORANDUM UNLESS STATED OTHERWISE HEREIN, AND NEITHER THE DELIVERY OF THIS MEMORANDUM AT ANY TIME NOR ANY SALE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME AFTER THE DATE OF THIS MEMORANDUM.

FOR CALIFORNIA RESIDENTS

THE SECURITIES REFERRED TO IN THIS MEMORANDUM WILL BE SOLD TO, AND ACQUIRED BY, THE HOLDER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 25102(F) OF THE CALIFORNIA CORPORATE SECURITIES LAW OF 1968. THUS, THE SECURITIES HAVE NOT BEEN QUALIFIED UNDER THAT ACT IN THE STATE OF CALIFORNIA.

FOR COLORADO RESIDENTS

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR THE COLORADO SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATED TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR CONNECTICUT RESIDENTS

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE SECURITIES REPRESENTED BY THIS MEMORANDUM HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXCEPTIONS THEREFROM.

FOR FLORIDA RESIDENTS

PURSUANT TO THE LAWS OF THE STATE OF FLORIDA, IF SALES ARE MADE TO FIVE (5) OR MORE INVESTORS IN FLORIDA, ANY FLORIDA INVESTOR MAY, AT ITS OPTION, WITHDRAW, UPON WRITTEN (OR TELEGRAPHIC) NOTICE, ANY PURCHASE HEREUNDER WITHIN A PERIOD OF THREE (3) DAYS AFTER (A) THE INVESTOR FIRST TENDERS OR PAYS TO THE FUND, AN AGENT OF THE FUND OR AN ESCROW AGENT THE CONSIDERATION REQUIRED HEREUNDER, OR (B) THE INVESTOR DELIVERS ITS EXECUTED SUBSCRIPTION DOCUMENTS, WHICHEVER OCCURS LATER.

FOR GEORGIA RESIDENTS

THESE SECURITIES WILL HAVE BEEN ISSUED OR SOLD IN RELIANCE ON SECTION 10-5-9(16) OF THE GEORGIA SECURITIES ACT OF 1973, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

FOR ILLINOIS RESIDENTS

THE OFFERING AND SALE OF THE SECURITIES OFFERED HEREBY HAS NOT BEEN REGISTERED UNDER SECTION 5 OF THE ILLINOIS SECURITIES LAW, AND SUCH SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT UNDER SAID LAW OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH SAID LAW.

FOR LOUISIANA RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE LOUISIANA SECURITIES ACT, AS AMENDED, BY REASON OF A SPECIFIC EXEMPTION FOUND IN SECTION 51:709(15), LOUISIANA SECURITIES LAW, AND SECTION 703, LOUISIANA SECURITIES REGULATIONS. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER

THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE PROVISION OF THE LOUISIANA SECURITIES ACT, IF SUCH REGISTRATION IS REQUIRED.

FOR MASSACHUSETTS RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS UNIFORM SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THIS OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS UNIFORM SECURITIES ACT, IF SUCH REGISTRATION IS REQUIRED, OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION NOR HAS THE SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR NEW JERSEY RESIDENTS

THE SECURITIES REFERRED TO IN THIS MEMORANDUM WILL BE SOLD TO AND ACQUIRED BY THE HOLDERS IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE NEW JERSEY STATE UNIFORM SECURITIES LAW, SECTION 49:3-50(B)(12). THEREFORE, THE DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF LAW, BUREAU OF SECURITIES HAS NOT PASSED ON THE ADEQUACY OF THE DISCLOSURE IN THE OFFERING LITERATURE OR ON THE MERITS OF THIS OFFERING.

FOR NEW YORK RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE ATTORNEY GENERAL OF NEW YORK OR ANY OFFICIAL OF SIMILAR CAPACITY OF ANY STATE PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THIS MEMORANDUM OR THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR NORTH CAROLINA RESIDENTS

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR OHIO RESIDENTS

THE SECURITIES REPRESENTED BY THIS MEMORANDUM HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF FEDERAL AND STATE

SECURITIES LAWS AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXCEPTIONS THEREFROM.

FOR SOUTH CAROLINA RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO THE REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR TEXAS RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE TEXAS SECURITIES ACT OF 1957 AND ARE BEING SOLD IN RELIANCE UPON AN EXEMPTION CONTAINED IN SECTION 5T OF THE TEXAS SECURITIES ACT AND SECTION 109.13(K) OF THE TEXAS ADMINISTRATIVE CODE. THEY MAY NOT BE SOLD OR OTHERWISE TRANSFERRED UNLESS THEY ARE REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR WASHINGTON RESIDENTS

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FOR WISCONSIN RESIDENTS

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EXECUTIVE SUMMARY

The Fund

LIV Development Fund I, LP (the “Fund”) is a Delaware limited partnership formed on March 10, 2023 to primarily invest directly or indirectly in Class A multifamily communities through ground up construction and development projects (each, a “Real Estate Investment”) located in select target markets predominately across the southeastern and southwestern United States, as more particularly described in this Memorandum and the exhibits and attachments included herewith. LIV Development Fund I GP, LLC, is a Delaware limited liability company formed on February 24, 2023 to serve as the general partner and manager of the Fund (the “General Partner”). The General Partner is owned and controlled, directly or indirectly, by Robert B. Crumpton, III, Thomas Spies, Andrew Murray, Michael Mummert, Jeff Hicks, Jason Bailey, and Katie Stripling (collectively, the “Principals”) and is an affiliate of LIV Development, LLC, a Delaware limited liability company (“LIV Development” or the “Fund Advisor”). LIV Development has been developing, operating, managing and/or selling multifamily properties for over 15 years as well and has developed, managed and/or sold or have under contract to sell projects having an aggregate value in excess of \$3 billion, containing more than 14,000 multi-family or senior housing units across 50 apartment communities in 11 states. LIV Development will serve as the investment advisor to the Fund.

The Fund is seeking aggregate capital contribution commitments (“Capital Contribution Commitments”) of a minimum of \$30,000,000 (the “Minimum Offering”) and a maximum of \$120,000,000 (the “Maximum Offering”). In exchange for Capital Contribution Commitments, the Fund is offering units of limited partnership interest (“LP Units”) at a purchase price of \$250,000 per LP Unit. Each subscriber for LP Units will be required to purchase a minimum of one (1) LP Unit for \$250,000 (the “Minimum Investment”), although the Fund may accept commitments less than that amount at the General Partner’s discretion. The Fund is intended to be a closed-end real estate fund.

At the Initial Closing and at each subsequent Closing, members and affiliates of the General Partner, including the Principals and affiliates thereof (collectively, “GP Affiliates”), will commit, in the aggregate, to the Fund an aggregate amount equal to five percent (5%) of the aggregate Capital Contribution Commitments of third-party investors admitted as Limited Partners of the Fund (the “GP Capital Commitment”). The GP Capital Commitment will count toward the Minimum Offering and the Maximum Offering amounts. The General Partner, on behalf of the GP Affiliates, will receive LP Units in exchange for the GP Capital Commitment on the same terms and conditions as the investors. The GP Capital Commitment is in addition to the equity amounts that the Principals, employees and affiliates of LIV Development are expected to indirectly contribute to each of the joint venture entities formed to own each Real Estate Investment.

The Offering will commence on the date of this Memorandum and will continue until the earlier of: (i) the receipt and acceptance of subscriptions for the Minimum Offering, or (ii) 5:00 p.m., Central Time, on July 31, 2023, as such date may be extended by the General Partner in its sole discretion but not beyond 5:00 p.m., Central Time, on December 31, 2023 (the “Minimum Offering Termination Date”). If subscriptions for the Minimum Offering are received and accepted by the Minimum Offering Termination Date, the Fund may hold its first closing (the “Initial Closing”) at any time thereafter. If subscriptions for fewer than the Minimum Offering have been received and accepted by the Minimum Offering Termination Date, then we will terminate the Offering.

None of the investors' Capital Contribution Commitments will be due and payable at the time of subscription or at the Initial Closing. Such Capital Contribution Commitments will be due and payable from time to time upon call by the General Partner upon at least seven (7) business days prior written notice as described in the Amended and Restated Agreement of Limited Partnership of the Fund (the "LP Agreement"), a copy of which is attached as Exhibit A and briefly summarized elsewhere in this Memorandum under "THE LP AGREEMENT — Payment of Capital Contribution Commitments", beginning on page 62 in this Memorandum.

If the Initial Closing is completed prior to the Minimum Offering Termination Date, we will continue to hold closings and accept subscriptions from investors at one or more subsequent closings (each such closing being a "Subsequent Closing", the last of which is referred to as the "Final Closing") until the earliest of: (i) the completion of the Maximum Offering, (ii) December 31, 2023, or (iii) a determination by the General Partner to terminate the Offering in its sole discretion (the "Offering Termination Date").

As of the date of this Memorandum, the Fund has not yet acquired or entered into any agreements to acquire any specific assets. The Fund has identified potential acquisition targets in the Charlotte, North Carolina, Birmingham, Alabama, and Atlanta, Georgia areas, which are described on Exhibit D attached hereto. LIV Development and/or its affiliates have entered into agreements to acquire the properties, which agreements, if the projects proceed to closing, are expected to be assigned to a subsidiary of the Fund on or about the date on which the Fund subsidiary acquires the property. There can be no assurance that the Fund will ultimately acquire any of the opportunities described on Exhibit D.

Prospective investors should carefully consider all of the information set forth in this Memorandum and in the exhibits, in particular, the "Certain Risk Factors," beginning on page 37 of this Memorandum, "The LP Agreement," beginning on page 62 of this Memorandum, and "Certain Tax Considerations," beginning on page 65 of this Memorandum. In making an investment decision, investors must rely on their own examination of the Fund and the terms of this Offering, including the merits and risks involved.

We will make available to you upon request, at any reasonable time, the opportunity to ask such questions and obtain such information concerning the Fund and the terms and conditions of the Offering as you deem necessary in deciding whether to purchase LP Units in the Offering. If you have questions or desire additional information, you should call Jeff Hicks at (205) 484-2845.

No broker-dealer will act on our behalf in offering or selling the LP Units. Offers and sales of the LP Units will be made on our behalf only by the managers, employees and members of the General Partner, none of which will receive any commissions or other compensation for such services.

The Fund, the General Partner and the Fund Advisor will operate out of offices located at 2204 Lakeshore Drive, Suite 450, Birmingham, AL 35209.

The Principals

The Principals own and work for LIV Development and its affiliates (collectively, the “LIV Entities”), which have collectively developed over 14,000 multifamily and senior housing units across 50 communities primarily in the southeastern and southwestern United States. LIV Development has built a skilled senior management team, who bring a substantial amount of real estate acquisition, development, management and financial knowledge and experience to the Fund. We believe that this knowledge and experience have generated excellent returns for the LIV Entities’ partners, affiliates and investors.

LIV Development relies on its regional market expertise and relationships throughout the United States to source risk adjusted opportunities for development of Class A multifamily communities. Such opportunities are uniquely selected, meticulously designed and expertly constructed to a high standard. Every detail of every property is thoughtfully designed with the residents in mind. This unique process and diligent execution create value for residents, investors, employees and communities.

LIV Development has historically been, and the Fund expects to continue to be, highly selective when choosing Real Estate Investment opportunities. LIV Development has historically only made an offer to purchase potential development sites on approximately 20% of the investment opportunities that it has investigated and fully underwritten. Approximately 5% of those offers have proceeded to closing. The Fund intends to continue to apply LIV Development’s thorough and consistent underwriting standards.

In considering the information contained herein, prospective investors should bear in mind that past performance is not necessarily indicative of future results. It should not be assumed that investments made by the Fund will equal the performance of previous investments made by the LIV Entities and their affiliates.

The Investment Committee

The Fund’s investment committee (the “Investment Committee”) will have no less than five (5) members that will assist in evaluating potential Real Estate Investments. The Investment Committee will initially be comprised of six (6) members. The members of the Investment Committee (the “Investment Committee Members”) will initially be Robert B. Crumpton, III, Thomas Spies, Jeff Hicks, Bradley J. Sklar, Thomas Harris, and Jeffrey Cash. Robert B. Crumpton, III will serve as chairman of the Investment Committee. From time to time, other analysts and employees of the General Partner or the LIV Entities may attend and participate in Investment Committee meetings, but such analysts and employees will not have voting rights with respect to an investment. The Investment Committee will have final approval of all investment and disposition decisions for the Fund, which will require the affirmative vote of all of the Investment Committee Members.

The Fund’s Investment Strategy & Targeted Returns

The Fund will deploy a ground up construction and development strategy to develop, stabilize, and sell projects to maximize potential returns to investors. The ground up build process creates value to equity through the development process and then, once projects are stabilized, income-producing properties, the Fund can strategically maximize returns upon disposition of its assets through capital appreciation.

The Fund’s investment objectives are to:

- preserve, protect, and return invested capital;
- generate cash flows from investments upon stabilization of properties; and
- realize capital appreciation upon the sale of investments.

The Fund’s investment philosophy will be to leverage its regional market expertise and relationships throughout the United States to source risk adjusted opportunities for development of Class A multifamily communities. Such opportunities are uniquely selected, meticulously designed and expertly constructed to a high standard. Every detail of every property is thoughtfully designed with the residents in mind. This unique process and diligent execution create value for residents, investors, employees and communities. The Fund will use the proceeds of the Offering to invest directly or indirectly in Class A multifamily construction and development projects located primarily in the southeastern and southwestern United States (“Real Estate Investments”). More specifically, the Fund’s investments will be through a separate holding company for each Real Estate Investment, and each such holding company will be a joint venture or other similar arrangement between the Fund and LIV Development (or an affiliate thereof). Each joint venture will acquire, develop, own, operate, finance, and manage its respective Real Estate Investment. During the lease-up period and/or after stabilization of each Real Estate Investment, the joint ventures will engage third party property managers to manage the Real Estate Investment and provide leasing and other services related thereto. Through developing and stabilizing income producing properties, the Fund’s objective is to provide a stable income source to investors and maximize potential returns upon strategic disposition of assets through capital appreciation. The Fund will seek investment opportunities that provide property level returns of 16% to 18% IRR. There are no guarantees that such results will be achieved. Investing in real estate involves significant risk that can result in substantial or complete loss of principal for the investor. See “Certain Risk Factors” in this Memorandum.

The General Partner and the Fund Advisor intend to focus the Fund’s investment strategy primarily in the high-growth southeastern and southwestern regions of the U.S., but will also consider projects in other markets if a prospective investment is identified that has the potential to provide attractive total returns in its targeted ranges. The Fund will target projects that are located in metropolitan areas that we consider to be primary, secondary or tertiary markets (“Target Markets”) located in the southeastern or southwestern region of the United States. Examples of primary Target Markets include Atlanta, Dallas, Houston, Austin, Orlando, Miami, Tampa, Phoenix, Charlotte, and Nashville. Examples of secondary Target Markets include Birmingham, San Antonio, Raleigh, Jacksonville, Richmond, and Louisville. Examples of tertiary Target Markets include Baton Rouge, Little Rock, Chattanooga, Huntsville, Asheville, Savannah, Tallahassee, College Station, Gainesville, and Athens (Georgia).

The Fund will analyze, evaluate, and identify potential Real Estate Investments using the following investment criteria that look to property, design, and market characteristics, including:

- Location (e.g., primary, secondary, or tertiary market).
- Construction quality and design of the to-be-developed property.
- Occupancy rates and demand for similar existing properties in the area.
- Leasing rates and tenant trends, including median income, job growth and employment prospects in the local economy and other demographics.
- Complexity of the development plan, zoning and the stabilization strategy.

- Tax and regulatory issues related to developing and owning a multifamily construction and development project in the region, including potential tax incentives and credits from local, state and federal governments and agencies.
- Estimated construction timeline, construction budget, and expected timing and cost of lease-up and stabilization.
- Physical characteristics including quality of existing infrastructure and roadways and access to transportation, parks, schools, entertainment and other amenities.
- Availability and pricing of construction financing; zoning, permitting and entitlement considerations.
- Environmental issues, including results of environmental site assessments.
- Expectations that the Project will have a minimum occupancy of at least 90% following stabilization.

In addition to the above investment criteria, the Fund will also attempt to acquire Real Estate Investments in diverse locations so that the Fund's developments are not overly concentrated in a single geographical area. However, the Fund is not precluded from owning multiple Real Estate Investments in a particular geographical area if the Fund Advisor determines that the ownership of such Real Estate Investments is in the Fund's best interest.

Total project development costs for each Real Estate Investment will vary, but the Fund Advisor expects that those costs will range from approximately \$50 million to \$150 million per Real Estate Investment. If the Fund raises the Minimum Offering, we expect the Fund to make 1 to 2 Real Estate Investments, and if the Fund raises the Maximum Offering, we expect the Fund to make 3 to 4 Real Estate Investments. The Fund anticipates developing and holding a Real Estate Investment over a 2.5 to 3-year period, at which point the Fund will then seek a liquidity event and exit the investment.

The Fund believes that multifamily provides the best risk adjusted returns, future appreciation, and cash flow prospects of any major real estate asset class. Housing is a basic human need and therefore demand is inelastic. The Fund is aware of no other commercial real estate asset class that provides for such a basic human need. In the two most recent economic disruptions, the Great Financial Crisis and the global pandemic caused by COVID-19, multifamily investments outperformed nearly all other asset classes according to the National Council of Real Estate Investment Fiduciaries.

The Investment Process

The Fund Advisor will assist the Fund and the General Partner in identifying and evaluating prospective Real Estate Investments meeting the Fund's investment profile and, subject to the approval of the Investment Committee, recommending that the Fund acquire prospective Real Estate Investments. The Fund Advisor intends to use an orderly and organized approach to underwrite the investments of the Fund. This process will typically proceed in two distinct phases. The first phase is a screening phase, and the second phase is a more comprehensive due diligence phase. Only after these two phases will a potential Real Estate Investment be submitted to the Investment Committee for approval or disapproval.

Screening Phase. The Fund Advisor will first assist the Fund in screening all potential Real Estate Investments in accordance with the Fund's investment profile, taking into consideration each potential investment's market location, size, complexity, return profile, and strategic fit. During this phase, the Fund intends to analyze the market and submarket for each such prospective investment opportunity in order to better understand the overall economic drivers/risks of the potential investment and the market's multifamily fundamentals of supply and demand. This phase will include a detailed comparable market analysis of existing and planned multifamily communities in the submarket of each potential investment and a review of historical and forecasted rent growth, absorption, concession and occupancy trends from multiple third-party data sources. Members of the Fund Advisor's development team will also complete an onsite property and market tour for prospective investments and fully underwrite and analyze the investment opportunity. Once a potential Real Estate Investment that fits the Fund's investment profile is identified, the General Partner (or the Fund Advisor on behalf of the Fund) will then negotiate and enter into a purchase and sale agreement ("PSA") with respect to the potential Real Estate Investment.

Due Diligence Phase. Following the execution of a PSA for each potential Real Estate Investment, the Fund will proceed with a comprehensive and detailed due diligence investigation of the potential investment's market, submarket, property, location, potential environmental issues, topography of the property, survey, zoning and title considerations, and legal and financial matters surrounding the potential investment. This phase will involve a comprehensive physical, financial and market due diligence investigation, which may lead to seeking entitlements and permits for the Real Estate Investment, managing the site design with third party consultants, and engaging contractors. This due diligence process may also involve third-party property management companies, lender(s), third party inspectors (physical, environmental, and appraisal), contractors, property tax advisors, and various other third-party specialists. General contractors will be engaged under guaranteed maximum price contracts with general construction timelines of approximately twenty-four (24) months.

During the due diligence phase for each potential investment, the Fund will attempt to obtain construction loan terms from multiple third-party lenders and finalize the capital stack for the potential investment, as more fully described below under "Financing Investments."

During the due diligence phase for each potential investment, the Fund Advisor's development team will continue to perform detailed financial analysis of the potential Real Estate Investment to validate cost and return assumptions.

Investment Committee Vote. Once the screening phase and due diligence phase for each potential Real Estate Investment is complete, the Fund Advisor's development team will prepare a development package to submit to the Investment Committee for each potential Real Estate Investment's approval or rejection. Each development package is expected to include (i) a summary of the results of the due diligence investigation, including any special issues or circumstances that should be considered; (ii) the estimated acquisition and development costs and returns for the proposed investment; (iii) the proposed debt and equity requirements to acquire and develop the proposed investment; and (iv) any key factors or issues that the development team believes that the Investment Committee should consider in evaluating and deciding whether to approve or reject the proposed investment. The Investment Committee will review the development package and the results of due diligence and determine if there are any outstanding issues that must be discussed. If the Real Estate Investment(s) meets the return requirements and all issues have been adequately addressed, then the Investment Committee will vote on the Real Estate Investment(s). If a potential Real Estate Investment is rejected by the Investment Committee, the Fund will cause the potential investment's PSA to be terminated and the Fund will walk

away from the deal. If a potential Real Estate Investment is approved by the Investment Committee, the Fund expects that it will move forward with acquiring the Real Estate Investment through a joint venture entity. The acquisition structure for each Real Estate Investment is unknown as of the date of this Memorandum, but it is anticipated to be as described below under “Joint Ventures.”

Debt Financing of Real Estate Investments

The Fund intends to finance each Real Estate Investment with proceeds of this Offering, capital contributions from our joint venture partners (described below), and construction loans obtained from third party lenders. The Fund intends to negotiate and finalize each potential Real Estate Investment’s capital stack during the due diligence phase outlined above.

During the due diligence phase, the Fund Advisor’s development team will seek to obtain construction loan terms from one or more third-party lenders. The Fund anticipates the use of moderate leverage to enhance total cash flow to investors while minimizing risk. Debt could be fixed rate or floating. Loan prepayment, term and interest rate risk will all be taken into account by the Fund when finalizing each potential investment’s debt plan. With respect to construction loans, for each Real Estate Investment the Fund will target a loan-to-cost ratio of between 50% and 70%, based on the anticipated construction and development costs of the particular project. However, if the Fund Advisor and General Partner choose to do so, the Fund may obtain a construction loan for a particular Real Estate Investment that is greater or less than the foregoing loan-to-cost ratio. The Fund anticipates that all construction loans for Real Estate Investments will be guaranteed by our joint venture partner(s) (or affiliates thereof).

The Fund may refinance the construction loan acquired for each Real Estate Investment with a permanent loan within approximately one to two years of each project’s stabilization, but such refinancing will only take place if the General Partner and Fund Advisor think doing so is in the best interest of the Fund. The Fund anticipates repaying the construction loan attributable to a particular Real Estate Investment either with the proceeds from selling the Real Estate Investment or with the proceeds received from a permanent financing of the project. With respect to permanent financing, for each Real Estate Investment the Fund will target a loan-to-value ratio of between 50% and 70%, based on the fair market value of the particular project at the time that the permanent financing is obtained; provided, however, that we may obtain permanent financing that is less than or exceeds such loan-to-value ratio if the Fund Advisor and General Partner choose to do so. All permanent financing for stabilized Real Estate Investments will be non-recourse to the Fund, the joint venture, and our joint venture partner. However, it is likely that the Fund, the joint venture, our joint venture partner, or a combination of the foregoing may be required to enter into guaranties for the loans that relate to certain customary non-recourse carveouts.

The Fund anticipates that, for each Real Estate Investment, each construction and permanent loan may be secured by one or a portfolio of Real Estate Investments or interests therein, in which event the General Partner will seek to structure the financing on a basis that is nonrecourse to the Fund (other than customary non-recourse carve-outs); provided, however, in order to facilitate financing Real Estate Investments or provide interim financing, the Fund may provide guarantees to lenders on terms and conditions deemed by the General Partner to be in the best interest of the Fund.

The Fund may seek to obtain a credit facility or credit facilities to finance its operations (including payment of expenses and the acquisition of Real Estate Investments). Any such credit facility may be secured by the Fund’s pledge of the General Partner’s right to call capital from the Limited Partners (the

“Subscription Line Facility”). The Subscription Line Facility will not exceed aggregate unfunded Capital Contribution Commitments. Under the terms of any Subscription Line Facility, the Limited Partners may be required to provide certain information to lenders, as detailed in Section 2.6(i) of the Limited Partnership Agreement. Aside from a Subscription Line Facility, the Fund does not intend to use Fund-level leverage, although the underlying investments in which the Fund invests will be leveraged and, in some cases, may be significantly leveraged at the target leverage percentages described above.

As of the date of this Memorandum, the terms of any financing to be obtained by or on behalf of the Fund are unknown, and we have not obtained any financing commitments for any potential Real Estate Investment.

Joint Ventures

The Fund anticipates that all or substantially all of the Fund’s investments will be made through subsidiaries formed for each particular Real Estate Investment. The subsidiaries will be formed on a project-by-project basis for the sole purpose of developing, owning, operating, financing, managing, and selling a particular Real Estate Investment. The newly formed special purpose entity created for the particular Real Estate Investment and into which the Fund will directly invest is referred to in this Memorandum as both “Holdings” and the “joint venture.” Holdings, in turn, will own and operate the particular Real Estate Investment directly through a wholly owned and controlled entity referred to as “Residences.” Thus, for each Real Estate Investment, the Fund will directly acquire an equity interest in an entity referred to as Holdings, and Holdings will directly or indirectly (through Residences) own and control the particular project.

It is anticipated that all or substantially all of the joint venture entities will have two owners: (1) the Fund and (2) a newly formed special purpose entity (referred to herein as “LIV Partners”) created on behalf of the Principals, affiliates and employees of LIV Development for the purpose of investing in the Holdings entity associated with the particular Real Estate Investment. Each LIV Partners entity will be managed by the General Partner. Each LIV Partners entity will be owned, in whole or in part, by the Principals and employees or affiliates of LIV Development. Accordingly, it is anticipated that the Principals (i) will be, directly or indirectly, owners of both the General Partner and each LIV Partners entity, and (ii) will effectively control the General Partner, each LIV Partners entity, each Holdings entity, each Residences entity, and, ultimately, each Real Estate Investment, subject in all respects to the terms of this Memorandum and the LP Agreement.

The chart in Exhibit E shows the relationships among the Fund, the General Partner, Holdings, LIV Partners, Residences and various affiliates on a per project basis. We anticipate that the legal entity structure for each Real Estate Investment (as depicted on Exhibit E) will be substantially same across all of the Fund’s Real Estate Investments, except as described in the next paragraph.

We anticipate that the equity needed to obtain financing for a particular Real Estate Investment will typically be contributed pro rata to that Real Estate Investment’s Holdings entity by the Fund (using the proceeds from this Offering) and the LIV Partners entity for the particular Real Estate Investment. For each joint venture with a LIV Partners entity, it is anticipated that LIV Partners will generally own up to a 10% interest in each Holdings entity, but the LIV Partners entity’s ownership may vary on a joint venture by joint venture basis in the General Partner’s sole discretion. The remainder of each Holdings entity is anticipated to be owned by the Fund, but, depending on a project’s economics, the Fund may partner with one or more additional investors such that the Holdings entity has more than two owners. For

example, if, near the end of the Investment Period, the Fund lacks sufficient Capital Contribution Commitments upon which the General Partner can draw in order to provide the equity needed to obtain a construction loan for a Real Estate Investment, then the Fund may partner with another investor (in addition to LIV Partners) in order to sufficiently capitalize the Holdings joint venture, acquire a property, and develop the project. The capital contributions to each joint venture will be made proportionately based on ownership interests, but the General Partner may allow the joint venture partners, including LIV Partners, to elect, in lieu of making a cash contribution to a project, to fund some or all of their capital contribution obligations by waiving the right to receive development fees and instead receiving equity in the joint venture. Following commencement of a project, capital contributions will be made to each joint venture to fund construction and development costs as such costs become due.

Each Holdings entity will generally be managed on a day-to-day basis by LIV Partners, but subject to oversight by the Fund pursuant to a management agreement. The General Partner, in consultation with the Investment Committee when appropriate, will direct each Holdings entity on the Fund's behalf regarding management and operation of the entity, including with respect to approval and disapproval rights over certain major decisions relating to the particular Real Estate Investment.

Each Holdings entity will be a limited liability company, limited partnership, or another type of entity that is treated as a pass-through entity for federal income tax purposes. The Fund is expected to be a discretionary investment vehicle investment in multiple Real Estate Investments; whereas any joint ventures are anticipated to invest only in one specific Real Estate Investment, at least until a determination is made that such Real Estate Investment should be disposed. While the General Partner retains the discretion to make any Real Estate Investments on behalf of the Fund that the General Partner deems advisable (subject to Investment Committee approval), including investments in which the Fund is a minority owner, the Fund anticipates that in all or substantially all of the Real Estate Investments the Fund will be the majority owner/partner in the joint venture entity. Each joint venture entity will be considered a subsidiary of the Fund.

THE INVESTMENT STRATEGIES AND METHODS SUMMARIZED IN THIS MEMORANDUM REPRESENT THE GENERAL PARTNER'S AND FUND ADVISOR'S CURRENT INTENTIONS. DEPENDING ON CONDITIONS AND TRENDS IN THE MARKETS IN WHICH THE FUND PLANS TO INVEST AND THE ECONOMY IN GENERAL, THE FUND MAY PURSUE OBJECTIVES OR STRATEGIES THAT ARE NOT SPECIFICALLY DESCRIBED BELOW THAT THE GENERAL PARTNER AND THE FUND ADVISOR CONSIDER APPROPRIATE AND IN THE BEST INTERESTS OF THE FUND AND ITS INVESTORS, WHETHER OR NOT DESCRIBED IN THIS SECTION. **THERE CAN BE NO ASSURANCE THAT THE FUND'S INVESTMENT STRATEGIES WILL ACHIEVE THE FUND'S INVESTMENT OBJECTIVES.**

SUMMARY OF PRINCIPAL TERMS

The following summary of the principal terms of the Fund does not purport to be complete and is qualified in its entirety by the detailed information appearing in this Confidential Private Placement Memorandum and the Exhibits hereto (the "Memorandum"). In the event that the terms described herein are inconsistent with or contrary to the terms in the Amended and Restated Agreement of Limited Partnership of the Fund (the "LP Agreement"), the LP Agreement shall control. Each investor in the Fund is referred to herein as an "Investor" or a "Limited Partner".

THE FUND

The Fund

LIV Development Fund I, LP, a Delaware limited liability company (the “Fund”).

The Fund is offering (the “Offering”) units of limited partnership interest (“LP Units”) to Accredited Investors only who are financially experienced and for whom an investment in the Fund is a suitable investment. The definitions of an Accredited Investor are set forth on Exhibit C to this Memorandum.

The General Partner

LIV Development Fund I GP, LLC, a Delaware limited liability company, is the sole general partner of the Fund (the “General Partner”). The General Partner has sole responsibility for management of the Fund’s business, including selecting the members of the Investment Committee for the Fund. The General Partner is owned and controlled, directly or indirectly, by Robert B. Crumpton, III, Thomas Spies, Andrew Murray, Michael Mummert, Jeff Hicks, Jason Bailey, and Katie Stripling (collectively, the “Principals”), all of whom are residents of the State of Alabama.

Fund Advisor

LIV Development, LLC, a Delaware limited liability company (“LIV Development”), an affiliate of the General Partner, will act as the investment manager of the Fund (the “Fund Advisor”). The Fund Advisor will (i) assist the Fund and the General Partner in identifying and evaluating prospective Real Estate Investments; (ii) recommend (subject to the approval of the Investment Committee) that the Fund acquire prospective Real Estate Investments; (iii) monitor the Fund’s investments; and (iv) make recommendations to the Fund and the General Partner with respect to sales and other divestiture strategies. The Fund Advisor is wholly owned by Robert B. Crumpton, III.

The Fund Advisor will enter into a Fund Advisor Agreement (the “Fund Advisor Agreement”) with the Fund that governs the relationship between the Fund Advisor and the Fund. The General Partner may remove and replace the Fund Advisor under certain conditions provided for in the Fund Advisor Agreement.

Investment Strategy & Performance Targets

The Fund will deploy a ground up construction and development strategy to develop, stabilize, and sell projects to maximize potential returns to investors. The ground up build process creates value to equity through the development process and then, once projects are stabilized, income-producing properties, the Fund can strategically maximize returns upon disposition of its assets through capital appreciation.

The Fund’s investment philosophy will be to leverage its regional market expertise and relationships throughout the United States to source risk adjusted opportunities for development of Class A multifamily

communities. Such opportunities are uniquely selected, meticulously designed and expertly constructed to a high standard. Every detail of every property is thoughtfully designed with the residents in mind. This unique process and diligent execution create value for residents, investors, employees and communities. The Fund will use the proceeds of the Offering to invest directly or indirectly in Class A multifamily construction and development projects located primarily in the southeastern and southwestern United States ("Real Estate Investments"). More specifically, the Fund's investments will be through a separate holding company for each Real Estate Investment, and each such holding company will be a joint venture or other similar arrangement between the Fund and LIV Development (or an affiliate thereof). Each joint venture will acquire, develop, own, operate, finance, and manage its respective Real Estate Investment. During the lease-up period and/or after stabilization of each Real Estate Investment, the joint ventures will engage third party property managers to manage the Real Estate Investment and provide leasing and other services related thereto. Through developing and stabilizing income producing properties, the Fund's objective is to provide a stable income source to investors and maximize potential returns upon strategic disposition of assets through capital appreciation.

The Fund will seek investment opportunities that provide property level returns of 16% to 18% IRR. There are no guarantees that such results will be achieved. Investing in real estate involves significant risk that can result in substantial or complete loss of principal for the investor. See "Certain Risk Factors" in this Memorandum.

The General Partner and the Fund Advisor intend to focus the Fund's investment strategy primarily in the high-growth southeastern and southwestern regions of the U.S., but will also consider projects in other markets if a prospective investment is identified that has the potential to provide attractive total returns in its targeted ranges. The Fund will target projects that are located in metropolitan areas that we consider to be primary, secondary or tertiary markets ("Target Markets") located in the southeastern or southwestern region of the United States. Examples of primary Target Markets include Atlanta, Dallas, Houston, Austin, Orlando, Miami, Tampa, Phoenix, Charlotte, and Nashville. Examples of secondary Target Markets include Birmingham, San Antonio, Raleigh, Jacksonville, Richmond, and Louisville. Examples of tertiary Target Markets include Baton Rouge, Little Rock, Chattanooga, Huntsville, Asheville, Savannah, Tallahassee, College Station, Gainesville, and Athens (Georgia).

The Fund will analyze, evaluate, and identify potential Real Estate Investments using the following investment criteria that look to property, design, and market characteristics, including:

- Location (e.g., primary, secondary, or tertiary market).
- Construction quality and design of the to-be-developed property.
- Occupancy rates and demand for similar existing properties in the area.
- Leasing rates and tenant trends, including median income, job growth and employment prospects in the local economy and other demographics.
- Complexity of the development plan, zoning and the stabilization strategy.
- Tax and regulatory issues related to developing and owning a multifamily construction and development project in the region, including potential tax incentives and credits from local, state and federal governments and agencies.
- Estimated construction timeline, construction budget, and expected timing and cost of lease-up and stabilization.
- Physical characteristics including quality of existing infrastructure and roadways and access to transportation, parks, schools, entertainment and other amenities.
- Availability and pricing of construction financing; zoning, permitting and entitlement considerations.
- Environmental issues, including results of environmental site assessments.
- Expectations that the Project will have a minimum occupancy of at least 90% following stabilization.

In addition to the above investment criteria, the Fund will also attempt to acquire Real Estate Investments in diverse locations so that the Fund's developments are not overly concentrated in a single geographical area. However, the Fund is not precluded from owning multiple Real Estate Investments in a particular geographical area if the Fund Advisor determines that the ownership of such Real Estate Investments is in the Fund's best interest.

Initial Acquisition Targets

As of the date of this Memorandum, the Fund has not yet acquired or entered into any agreements to acquire any specific assets. The Fund has identified potential acquisition targets in the Charlotte, North Carolina, Birmingham, Alabama, and Atlanta, Georgia areas, which are described on Exhibit D attached hereto. LIV Development and/or its affiliates have entered into agreements to acquire both properties, which agreements are expected to be assigned to a subsidiary of the Fund on or about the date of the Initial Closing. There can be no assurance that the Fund will ultimately acquire any of the opportunities described on Exhibit D.

Investment Committee

The Fund's investment committee (the "Investment Committee") will have no less than five (5) members that will assist in evaluating potential Real Estate Investments. The Investment Committee will initially be comprised of six (6) members. The members of the Investment Committee (the "Investment Committee Members") will initially be Robert B. Crumpton, III, Thomas Spies, Jeff Hicks, Bradley J. Sklar, Thomas Harris, and Jeffrey Cash. Robert B. Crumpton, III will serve as chairman of the Investment Committee. From time to time, other analysts and employees of the General Partner or the LIV Entities may attend and participate in Investment Committee meetings, but such analysts and employees will not have voting rights with respect to an investment. The Investment Committee will have final approval of all investment and disposition decisions for the Fund, which will require the affirmative vote of all of the Investment Committee Members.

There can be no assurance that the Fund's investment objectives will be met or that its strategies will be successful. None of the Fund, the General Partner, the Fund Advisor or the Investment Committee will be liable for any failure to meet or outperform such objectives.

Advisory Committee

The Fund will have an Advisory Committee comprised of between three (3) to five (5) members (the "Advisory Committee Members") that are designated by the General Partner. The Advisory Committee Members shall be individuals (i) who are not affiliates of the General Partner and (ii) who are Limited Partners of the Fund or affiliates of a Limited Partner of the Fund. The Advisory Committee will have approval rights under the LP Agreement with regard to certain actions taken by the Fund, including approving certain affiliate transactions, otherwise voting on certain activities that potentially could be viewed as conflicts of interest, extending certain deadlines and waiving certain other LP Agreement restrictions. Specifically, the Fund will not take any of the following actions without the approval of a majority of the Advisory Committee Members: (i) calling for additional capital using Recalled Capital Amounts as set forth in the LP Agreement; (ii) adjusting the specified investment objectives of the Fund; (iii) executing certain affiliate agreements; (iv) authorizing any permitted co-investment opportunity other than the affiliated joint venture entities to be formed to own

certain Real Estate Investments; (v) taking any action that would make it impossible to carry out the business of the Fund, except as otherwise provided in the LP Agreement; and (vi) any other act that requires the consent of the Advisory Committee under the LP Agreement.

Risk Factors

The purchase of LP Units in the Fund is a speculative investment and entails significant risks. Such an investment provides for limited liquidity and is suitable only for persons who can afford to lose all or a substantial portion of their investment. There can be no assurance of the success or profitability of the investment strategies of the Fund. See "Certain Risk Factors" in this Memorandum.

Conflicts of Interest

The management and operation of the Fund by the General Partner may create conflicts of interest of which potential investors should be aware. See "Conflicts of Interest" in this Memorandum. Potential Investors in the Fund should be aware of each of the following situations that could create potential conflicts of interest:

Asset Management Fee. The Fund Advisor is an affiliate of the General Partner and will initially be paid a 1.5% Asset Management Fee (as defined below) as more fully described below under "Summary of Principal Terms - Asset Management Fee." Because the Asset Management Fee will be based upon the amount of unreturned Capital Contributions that have been funded, the Annual Management Fee may have the effect of encouraging the General Partner to make capital calls earlier than required to make Real Estate Investments to increase the amount of the Asset Management Fee payable to the Fund Advisor, an affiliate of the General Partner. It may also discourage the General Partner from liquidating a Real Estate Investment and distributing the proceeds to the Limited Partners.

Profit Allocation. Through its membership interest in each joint venture, an affiliate of LIV Development will receive from each joint venture a profit allocation calculated based on the profits of each such joint venture. Because the profit allocation will be based on the amount and timing of distributions made by each such joint venture to the Fund and by the Fund to the Limited Partners (which will in turn depend upon the performance of the Fund), the profit allocation may have the effect of encouraging the affiliate of LIV Development to identify particularly risky investments for the Fund or otherwise play a role in the selection of investments for the Fund.

Other Fees. As set forth below in this Section of this Memorandum, the Fund Advisor (and its affiliates), which itself is an affiliate of the General Partner, may receive certain fees in connection with the Real Estate Investments, including but not limited to Development Fees, Acquisition Fees, Construction Services Fees, design services fees, and

other fees such as leasing fees derived from leasing equipment to Real Estate Investments.

Other Business Activities. The General Partner and its affiliates, members, officers and employees engage in other business and investment activities and will not devote their business energies to the Fund on a full-time basis. The General Partner and its affiliates, including the Principals and Fund Advisor, are or may become committed to the continuing management of other real estate investments and other business ventures. The Principals and the Fund Advisor may also form new investment vehicles in the future. The General Partner, Fund Advisor, and the Principals and their affiliates will devote as much of their time to the business of the Fund as they believe, in their sole judgment, is reasonably required. Accordingly, there may be conflicts of interest between investments made by the Fund and other investments or business ventures in which the General Partner, Principals, and Fund Advisor (or their affiliates) are participants.

Joint Ventures & Subsidiaries

The Fund anticipates that all or substantially all of the Fund's investments will be made through subsidiaries formed for each particular Real Estate Investment. The subsidiaries will be formed on a project-by-project basis. The newly formed special purpose entity created for the particular Real Estate Investment and into which the Fund will directly invest is referred to in this Memorandum as both "Holdings" and the "joint venture." Holdings, in turn, will own and operate the particular Real Estate Investment directly or through a wholly owned and controlled entity referred to as "Residences." Thus, for each Real Estate Investment, the Fund will directly acquire an equity interest in an entity referred to as Holdings, and Holdings will directly or indirectly (through Residences) own and control the particular project.

As depicted on Exhibit E, it is anticipated that all or substantially all of the Holdings entities will have two owners: (1) the Fund and (2) a newly formed special purpose entity (referred to herein as "LIV Partners") created for the purpose of investing in the Holdings entity associated with the particular Real Estate Investment. Each LIV Partners entity will be managed by the General Partner.

We anticipate that the equity needed to obtain financing for a particular Real Estate Investment will typically be contributed pro rata to that Real Estate Investment's Holdings entity by the Fund (using the proceeds from this Offering) and the LIV Partners entity for the particular Real Estate Investment. The LIV Partners entity will generally own up to a 10% interest in each joint venture. The remainder of each joint venture is anticipated to be owned by the Fund. The General Partner may allow the joint venture partners, including LIV Partners, to elect, in lieu of making a cash contribution to a project, to fund some or all of their

capital contribution obligations by waiving the right to receive development fees and instead receiving equity in the joint venture. Following commencement of a project, capital contributions will be made to each joint venture to fund construction and development costs as such costs become due.

Each joint venture will generally be managed on a day-to-day basis by LIV Partners, but subject to oversight by the Fund pursuant to a management agreement. The General Partner, in consultation with the Investment Committee when appropriate, will direct each joint venture on the Fund's behalf.

See "Executive Summary – Joint Ventures" on page 8 for more information.

Co-Investment Policy

In the event that the General Partner determines, in its sole discretion, that a Real Estate Investment requires equity above the amount which the General Partner believes is appropriate for the Fund to invest, the General Partner may, but shall be under no obligation to, provide co-investment opportunities to certain Limited Partners and/or third parties, including affiliates of the General Partner. The General Partner and its affiliates may charge asset management fees and earn incentive allocations, carried interests or other similar compensation on co-investments.

Alternative Investment Vehicles

If the General Partner determines for legal, tax, or regulatory reasons that any Real Estate Investment should be made through, held by, or transferred to an alternative investment structure, the General Partner may structure the making of all or any part of such Real Estate Investment such that the Fund invests through an alternative vehicle, or outside of the Fund by requiring some or all of the Limited Partners to make such Real Estate Investment, either directly or indirectly, through an alternative vehicle that will invest alongside or in lieu of the Fund (any such structure or vehicle, an "Alternative Investment Vehicle"). Any Alternative Investment Vehicle will provide for the limited liability of the Limited Partners and will duplicate the economics of the Fund on a pre-tax basis, except as required for tax and regulatory reasons.

Parallel Vehicles

The General Partner may establish separate investment vehicles ("Parallel Vehicles") for different categories of investors to accommodate the legal, tax, or regulatory requirements or internal investment policy or guideline concerns of such investors. Parallel Vehicles will generally co-invest proportionately in all of the Real Estate Investments with the Fund on the basis of their available capital and any other financing available to the Fund and such other Parallel Vehicles. Such investment vehicles will co-invest on substantially the same terms and conditions as the Fund and will make and dispose of investments at the same time and on the same terms and conditions, subject to

applicable legal, tax, or regulatory considerations, and will generally share proportionately in expenses. The terms of any Parallel Vehicle may differ from those of the Fund to accommodate the needs of the investors therein.

Management of the Fund

The General Partner will have full responsibility for the day-to-day management and administration of the business and affairs of the Fund, including without limitation, (i) identifying and evaluating prospective Real Estate Investments; (ii) causing the Fund to execute joint venture agreements; (iii) causing the Fund to acquire and dispose of (subject to the approval of the Investment Committee) prospective Real Estate Investments through joint ventures; (iv) monitoring the Fund's investments; and (v) making decisions with respect to sales and other divestiture strategies.

No Limited Partner (in its capacity as a limited partner) will have the right to take part in the management or control of the business and affairs of the Fund.

Asset Management Fee

The Fund will pay the Fund Advisor an annual asset management fee (the "Asset Management Fee") equal to 1.5% of the aggregate Capital Contributions made by the Partners as of the date of calculation less any amounts distributed to the Limited Partners that represent a return of principal or capital (as opposed to a preferred return on an investment) from Capital Proceeds.

The Asset Management Fee shall be payable quarterly in advance on or before the first business day of each January, April, July, and October. If all or any portion of the Asset Management Fee is not paid in any given quarter because there is insufficient Available Cash Flow (defined below under "Summary of Principal Terms – Distributions by the Joint Ventures"), such Asset Management Fee shall accrue and be payable as soon as Available Cash Flow becomes available.

The General Partner may elect to waive all or a portion of the Asset Management Fee for certain investors, including employees and affiliates of the Fund Advisor and/or General Partner.

"Capital Proceeds" means the net cash proceeds received by the Fund from or as a result of a Capital Transaction after deducting (i) any expenses incurred in connection with such Capital Transaction, including the payment of any disposition fees; (ii) any amounts applied by the toward the payment of any indebtedness of the Fund; (iii) the payment of any other operating expenses; and (iv) the establishment of reserves by the General Partner.

"Capital Transaction" means (i) any transaction pursuant to which the Fund (or a subsidiary) finances or refinances mortgage indebtedness

with respect to a Real Estate Investment; (ii) a sale, condemnation, exchange or a casualty not followed by reconstruction, assignment, merger, reorganization, or other disposition, whether by foreclosure or otherwise, of all or a portion of a Real Estate Investment owned by the Fund or a subsidiary; or (iii) an insurance recovery or any other transaction with respect to the Fund or a subsidiary which, in accordance with generally accepted accounting principles, is considered capital in nature.

Development Fees

LIV Development and the project-specific LIV Partners entity may be paid a development fee ("Development Fee") in connection with providing development services in developing each Real Estate Investment. The total aggregate amount of the Development Fee will not exceed 5% of the project budget for each Real Estate Investment. We anticipate that Development Fees will generally be 3% per Real Estate Investment and will be payable by the Holdings entity for each Real Estate Investment in 15 equal monthly installments commencing with the closing of the construction loan for each Real Estate Investment and therefore borne indirectly by the Fund. The Development Fee actually paid by each Holdings entity may be reduced in exchange for a grant of an equity interest in the joint venture's profits to the LIV Partners entity.

Acquisition Fees

The Fund Advisor or an affiliate thereof may be paid an acquisition fee ("Acquisition Fee") in connection with the acquisition of each Real Estate Investment in an amount not to exceed 2% of the purchase price of the real property underlying each such Real Estate Investment. We anticipate that Acquisition Fees will generally be 1-2% of the purchase price of the real property underlying each Real Estate Investment and will be payable by the joint venture entity that owns each Real Estate Investment and therefore borne indirectly by the Fund.

Construction Services Fees

The Fund Advisor or an affiliate thereof may be paid a construction services fee ("Construction Services Fee") for construction related services provided with respect to Real Estate Investments. We anticipate the Construction Services Fees will generally be payable at a market rate in the location of the Real Estate Investment; provided, however, the Construction Services Fee for any Real Estate Investment shall not exceed 1.5% of the guaranteed maximum price of the construction contract amount of such Real Estate Investment. Each Construction Services Fee will be payable by the entity that owns each Real Estate Investment in 15 equal monthly installments commencing with the closing of the construction loan for each Real Estate Investment and therefore borne indirectly by the Fund.

Design Services Fees

LIV Creative Group is a division of LIV Development, the Fund Advisor. LIV Creative Group may provide design-related services to one or more Real Estate Investments. We anticipate that these services will generally

cost \$60,000 for each Real Estate Investment, but that amount is subject to increase based on market conditions for similar services in the location of the Real Estate Investment. We do not intend for these fees to be in excess of what would be required if they were paid to an unrelated third party in the applicable market area.

Other Fees

The General Partner, the Fund Advisor, or any of their respective affiliates may provide to the Fund and/or any Real Estate Investment any Project Services (including leasing of equipment) in lieu of third parties providing such services so long as such services (including leasing services) are on terms that are determined by the General Partner to be fair and reasonable to the Fund and/or the Real Estate Investment. In exchange for providing Project Services or leasing of equipment, the service provider may receive fees for such services so long as any such fees do not unreasonably exceed the rate that would be payable by the Fund or the Real Estate Investment if such services or equipment were provided by unaffiliated third parties in the business of providing comparable services and equipment in the applicable market.

“Project Services” means financial, reporting, administration, tax, internal, audit, legal, technology, design, development management, leasing, equipment leasing, construction management, property management, and corporate services (including accounting).

Pursuit Costs

The Fund will pay, or reimburse the General Partner, Fund Advisor, or their affiliates for, all pursuit costs and transaction expenses arising in connection with the Fund and/or its actual investments (to the extent not borne or reimbursed by the legal entity acquiring a Real Estate Investment at the construction loan closing for such Real Estate Investment). The General Partner, the Fund Advisor, and/or their affiliates will reimburse the Fund and any Holdings Entity for any and all Dead Deal Costs actually paid by the Fund or any Holdings entity. All Dead Deal Costs borne by any person other than the Fund or a Holdings entity shall (i) be borne by the person incurring such costs and (ii) shall not be entitled to reimbursement by the Fund or any Holdings entity.

In addition, LIV Development shall be paid a pre-development fee for each Real Estate Investment in an amount not to exceed \$85,000.

“Dead Deal Costs” means any fees, expenses or other costs (including, without limitation, legal, accounting, travel, due diligence, third party appraisals and valuations and other fees and out of pocket expenses) paid by the Fund or any Holdings entity in connection with the potential acquisition of an interest in any Real Estate Investment that is not consummated (no matter the reason).

Operating Expenses

Without duplicating any of the other fees or expenses described in this section of this Memorandum, the Fund will directly or indirectly pay all

expenses incurred by the Fund, any subsidiary of the Fund (including joint ventures), the General Partner, the Fund Advisor, and/or their affiliates that are incurred in connection with or on behalf of the organization and operation of the Fund and the subsidiaries ("Operating Expenses"). The LP Agreement will broadly define "Operating Expenses" to encompass all out of pocket costs incurred in connection with the Fund, any subsidiary, and any Real Estate Investment but such term does not include Dead Deal Costs.

Organizational and Offering Expenses

Organizational and Offering expenses of the Fund advanced or paid by the General Partner and/or its affiliates will be reimbursed to them or paid directly by the Fund. Such expenses will be capitalized and amortized over 60 months from the date of the Initial Closing of the Offering.

THE OFFERING

The Offering

The Fund is seeking Capital Contribution Commitments of a minimum of \$30 million (the "Minimum Offering") and a maximum of \$120 million (the "Maximum Offering"). The amount that an Investor commits to invest is referred to as that Investor's "Capital Contribution Commitment." The Fund is intended to be a closed-end real estate fund.

The Fund is offering LP Units at a purchase price of \$250,000 per LP Unit.

Minimum Investment

The minimum Capital Contribution Commitment of an Investor is \$250,000 in exchange for one (1) LP Unit (the "Minimum Investment"), which the General Partner can waive in its sole discretion.

None of the Investors' Capital Contribution Commitments will be due and payable at the time of subscription or at the Initial Closing. A portion of each Investor's Capital Contribution Commitment will be due upon at least seven (7) business days prior written notice by the General Partner. The General Partner may make a Capital Contribution call at any time and from time to time, including immediately after the Initial Closing.

Initial Closing

The Offering will commence on the date of this Memorandum and will continue until the earlier of: (i) the receipt and acceptance of subscriptions for Capital Contribution Commitments equal to the Minimum Offering, or (ii) 5:00 p.m., Central Time, on July 31, 2023, as such date may be extended from time to time by the General Partner but not beyond 5:00 p.m., Central Time, on December 31, 2023 (the "Minimum Offering Termination Date").

If subscriptions for Capital Contribution Commitments equal to the Minimum Offering are received and accepted by the Minimum Offering Termination Date, at any time thereafter the Fund may hold its first

closing (the “Initial Closing”) and admit Investors as limited partners of the Fund (the “Initial Limited Partners”).

If subscriptions for fewer than the Minimum Offering have been received and accepted by the Minimum Offering Termination Date, then we will terminate the Offering.

Subsequent & Final Closings

If the Initial Closing is completed prior to the Minimum Offering Termination Date, we will continue to hold closings and accept subscriptions from investors at one or more subsequent closings (each such closing being a “Subsequent Closing”, the last of which is referred to as the “Final Closing”) until the earliest of: (i) the completion of the Maximum Offering, (ii) December 31, 2023, or (iii) a determination by the General Partner to terminate the Offering in its sole discretion (the “Offering Termination Date”).

Any Investor admitted to the Fund after the Initial Closing or acquiring additional LP Units after the Initial Closing (each, an “Additional Limited Partner” and, together with the Initial Limited Partners, the “Limited Partners”) will be treated, for purposes of calculating distributions and the Preferred Return under the LP Agreement, as having been a Limited Partner as of the Initial Closing. Therefore, Additional Limited Partners will generally be obligated to contribute to the Fund an amount equal to the sum of their pro rata share of all drawn Capital Contribution Commitments, plus an amount equal to the interest on the average daily balance of such amount at a rate equal to 8% per annum from the date of the first capital call. The amounts so contributed will be refunded to existing Limited Partners, and the amounts of such refunds, excluding the interest component, will be added to the unused Capital Contribution Commitments of the existing Limited Partners and will be subject to recall by the General Partner, less their pro rata share of all distributions made to Limited Partners prior to such admission. Alternatively, such amounts, to the extent the General Partner elects, may be applied to reduce the amount of Capital Contributions that existing Limited Partners would otherwise be required to make during the Investment Period (as defined below), and to that extent shall be treated as having been contributed as a Capital Contribution by such Limited Partners on the date a Capital Contribution is otherwise due.

General Partner Commitment

At the Initial Closing and at each subsequent Closing, members and affiliates of the General Partner, including the Principals and affiliates thereof (collectively, “GP Affiliates”), will commit, in the aggregate, to the Fund an aggregate amount equal to five percent (5%) of the aggregate Capital Contribution Commitments of third-party investors admitted as Limited Partners of the Fund (the “GP Capital Commitment”). The GP Capital Commitment will count toward the Minimum Offering and the Maximum Offering amounts. The General Partner, on behalf of the GP Affiliates, will receive LP Units in exchange for the GP Capital Commitment on the same terms and conditions as the investors. The GP Capital Commitment is in addition to the equity

amounts that the Principals, employees and affiliates of LIV Development are expected to indirectly contribute to each of the joint venture entities formed to own each Real Estate Investment.

Investor Qualifications

The General Partner only intends to offer and sell LP Units to a limited number of persons that are “Accredited Investors” within the meaning of Rule 501(a) of Regulation D of the Securities Act of 1933, as amended. The definition of “Accredited Investor” is set forth on Exhibit C to this Memorandum. Each Limited Partner of the Fund must be an Accredited Investor.

An investment in the Fund is suitable only for financially experienced and sophisticated investors who are aware of, and can afford, the risks involved in an investment in the Fund and have the ability and willingness to accept (1) the restricted liquidity of an investment in the Fund, and (2) the risk of loss of all or a substantial portion of such investment.

OPERATION OF THE FUND

Capital Calls & Capital Commitment Period

None of the investors’ Capital Contribution Commitments will be payable at the time of subscription or at the Initial Closing. Instead, commitments are expected to be drawn down as needed, as determined by the General Partner. Each investor’s Capital Contribution Commitment will be paid in installments from time to time and will be due upon at least seven (7) business days prior written notice by the General Partner. The General Partner may make a call for capital contributions at any time and from time to time, including immediately after the Initial Closing. The General Partner will call Capital Contributions as required to fund Real Estate Investments or to pay Fund and operating expenses.

Investors will not be required to pay any unpaid balance of their Capital Contribution Commitments following the expiration of the Investment Period (as defined below), except for (i) capital called to pay Fund or subsidiary operating expenses, and (ii) capital called to fund Real Estate Investments which have been identified and are under an executed letter of intent and/or purchase agreement as of the expiration of such Investment Period.

Capital Contribution Defaults

The LP Agreement will include customary default provisions to address situations in which a Limited Partner fails to fund any portion of its Capital Contribution Commitment when called by the General Partner or to otherwise make a payment when due. Such provisions will include but not be limited to charging the defaulting Limited Partner interest, imposing late fees, accelerating the remainder of the Limited Partner’s Capital Contribution Commitment, and/or selling the defaulting Limited Partner’s LP Units. A defaulting Limited Partner will not be entitled to

receive any distributions from the Fund and will have no voting or other rights while such default remains uncured.

The LP Agreement will also include customary provisions in which any capital contribution shortfalls caused by a Limited Partner's default that are contributed by one or more non-defaulting Limited Partners may result in the dilution of the defaulting Limited Partner.

Returnable Contributions

Dispositions During Investment Period. If the Fund sells, refinances or otherwise disposes of a Real Estate Investment during the Investment Period, any Capital Proceeds from such transaction that have been distributed to the Limited Partners (collectively, "Recalled Capital Amounts") will be subject to further capital calls by the General Partner for Real Estate Investments identified during the Investment Period; provided, however, Recalled Capital Amounts from a Capital Transaction shall be limited to the aggregate Capital Contributions made by the Limited Partners to fund the Real Estate Investment subject to such Capital Transaction. The amount of a Limited Partner's Capital Contribution Commitment remaining and available to be called by the General Partner shall be increased by all Recalled Capital Amounts.

Subsequent Closing True-Ups. The General Partner will return a portion of Limited Partner's capital contributions upon the admission of Additional Limited Partners, as described above. The amount returned to such Limited Partners shall be available to be called by the General Partner under the LP Agreement.

Unused Contributions. If the General Partner determines, after receipt of capital contributions from Limited Partners, that all or a portion of such amount is not at that time required by the Fund because the contemplated use of such capital contributions has not materialized, such amount may be refunded by the Fund to the Limited Partners, and such amount shall (i) be considered to never have been paid to the Fund, (ii) continue to be owing as unpaid Capital Contribution Commitments, and (iii) not be reflected or recorded in the capital accounts of the Limited Partners for purposes of determining or calculating any allocations or distributions.

Investment Period

The investment period ("Investment Period") will commence with the Initial Closing and will expire on the second (2nd) anniversary of whichever happens first: (i) the Final Closing, or (ii) the Offering Termination Date; provided, however, the Investment Period expiration may be extended by the General Partner (in its sole discretion) for up to one (1) additional year. The General Partner will provide written notice to the Limited Partners of any extension or early termination of the Investment Period.

Capital Contributions called by the General Partner on or prior to the expiration of the Investment Period can be used to fund new Real Estate Investments that have been identified, to fund additional capital

required for existing Real Estate Investments or to fund operating expenses of the Fund or a subsidiary.

Warehousing

To facilitate investment by the Fund, either the Fund, a subsidiary, the Fund Advisor, or an affiliate of the Fund Advisor may purchase, may acquire options to purchase, or may acquire control of the land underlying potential Real Estate Investments prior to the construction loan closing for the particular Real Estate Investment (“Warehoused Property”). The General Partner and/or Fund Advisor has the authority to transfer such options for, control of, or title to Warehoused Property to the Fund or a subsidiary on or before the construction loan closing for the particular Real Estate Investment, and in connection therewith proceeds of the Offering may be used to reimburse the transferor for all actual costs incurred in connection with acquiring, owning, and warehousing the Warehoused Property, including interest. We anticipate such Warehoused Property will generally be raw land acquired ahead of closing on a construction loan, and the ability to warehouse investments will allow us flexibility to deploy the Offering proceeds as funds are raised.

Capital Accounts

A capital account will be established for each Limited Partner to reflect each Limited Partner’s Capital Contributions to the Fund. Capital accounts will be adjusted to reflect distributions, subsequent Capital Contributions, allocations of the Fund’s net profits or net losses, permitted Fund expenses, and other similar credits and debits during the term of the Fund.

Withdrawals; Transfers of LP Units

No Limited Partner will have the right to withdraw or demand a return of such Limited Partner’s Capital Contribution from the Fund. In addition, Limited Partners may not sell, assign or transfer all or any of their LP Units without the prior written consent of the General Partner, which consent may be withheld in the sole discretion of the General Partner. There is no public or secondary market for the LP Units, and no such markets for the LP Units are expected to develop. Accordingly, Limited Partners will be required to hold their LP Units for an indefinite period of time.

Distributions - Generally

Subject to limitations imposed by lenders to the Fund or to any of its subsidiaries, we anticipate making distributions of Available Cash Flow (defined below) once we begin to generate cash from operations or in anticipation of generating cash from operations from completed or sold multifamily construction and development projects. We do not intend to make distributions during the early stages of our existence as we initially acquire and develop Real Estate Investments using the proceeds from this Offering. We may fund such distributions from the sale of assets or from the refinance of loan obligations, however, the General Partner may make distributions of Available Cash Flow derived from any source, including Offering proceeds or borrowings (which may constitute a return of capital). If we make distributions from sources

other than our cash flow from operations, we will have less funds available for Real Estate Investments.

Distributions by the Fund

The Fund anticipates holding all or substantially all of the Real Estate Investments through multiple joint ventures. Each of those joint ventures will be a subsidiary entity (such as a limited liability company or a limited partnership) formed for each particular Real Estate Investment. Thus, aside from proceeds from this Offering, it is expected that substantially all of the Fund's Available Cash Flow will be derived from distributions the Fund receives from each joint venture. The timing of distributions from joint ventures may or may not be controllable by the Fund or the General Partner.

Once the Fund receives a distribution from a joint venture, the Fund will make distributions of Available Cash Flow in the following order of priority:

- (i) *Return of Capital.* First, 100% to the Partners, *pari passu* and pro rata based on capital contributions, until all Partners have received a return of their capital contributions to the Fund.
- (ii) *Preferred Return.* Second, 100% to the Partners, *pari passu* and pro rata based on capital contributions, until each of the Partners have received an eight percent (8%) annual cumulative preferred return, compounded annually, on the amount of capital such Partner has contributed to the Fund (the "Preferred Return"). The accrual of each Partner's Preferred Return will commence on the due date for contributing the capital to the Fund (as specified in the capital call) or the date each contribution is actually made, whichever is later.
- (iii) *Pro Rata.* Thereafter, 100% to the Partners, *pari passu* and pro rata based on capital contributions.

The timing of distributions by the Fund will be subject to the discretion of the General Partner.

Distributions by the Joint Ventures

All or substantially all of the joint ventures (i.e., the Holdings entities) are anticipated to be joint ventures between the Fund and LIV Partners. Each LIV Partners entity will generally be managed and controlled by the General Partner. All joint ventures will use a preferred return/promote structure where capital is treated equally and earns a preferred return. After payment of that preferred return and return of capital contributions, it is anticipated that the joint venture partner (including the LIV Partners entities) may earn an increased share of each project's cash flows based on specific return hurdles being met, as generally described in the following paragraph.

Unless the LIV Partners entity elects to "crystallize" its carried interest, as described in "Promote Crystallization" below immediately after the

following bullet points on distribution priorities, each Holdings entity will make distributions of Available Cash Flow in the following order of priority:

- (i) *Return of Capital.* First, 100% to the members of the Holdings entity (i.e., the Fund and the LIV Partners entity formed for the project), pro rata based on capital contributions, until all such members have received a return of their capital contributions to the Holdings entity.
- (ii) *Preferred Return.* Second, 100% to the members of the Holdings entity, on a pro rata basis, in the amount of their aggregate accrued and unpaid preferred return until each of the members have received an eight percent (8%) annual cumulative preferred return, compounded annually, on the amount of capital contributed by each member to the Holdings entity.
- (iii) *Carried Interest to 15% IRR.* Third, (A) 70% to the Fund, and (B) 30% to the LIV Partners entity, until the Fund has achieved a 15% internal rate of return ("IRR").
- (iv) *Carried Interest to 20% IRR.* Fourth, (A) 60% to the Fund, and (B) 40% to the LIV Partners entity, until the Fund has achieved a 20% IRR.
- (v) *Carried Interest above 20% IRR.* Thereafter (A) 50% to the Fund, and (B) 50% to the LIV Partners entity.

Promote Crystallization. Once either (i) final certificates of occupancy are obtained for all apartment units in a particular Real Estate Investment and at least 85% of the apartment units in such Real Estate Investment are occupied by tenants who have commenced paying rent under leases, or (ii) on or after the thirtieth (30th) month after the closing date of a particular Real Estate Investment, LIV Partners, which will be controlled by the General Partner, will have the option to elect to "crystallize" its right to receive Carried Interest distributions under subsections (iii) through (v) above (such subsections are, collectively, the "Promote"). If the LIV Partners so elects, then (1) the joint venture (i.e., the Holdings entity) will engage third-party professional consultants to determine the fair market value of the Real Estate Investment owned by the particular joint venture, (2) such fair market value will be used to calculate how much net cash flows each of the joint venture's members (i.e., the Fund and the LIV Partners entity) would receive in a hypothetical sale of the Real Estate Investment followed by a hypothetical distribution of the net proceeds of such sale using the distribution priorities described immediately above, and (3) the joint venture members' percentage interests in the particular joint venture

are automatically adjusted to reflect the ratio of net cash flows each of the members receive in the hypothetical distribution. Thereafter, all distributions of Available Cash Flow will be made by the joint venture to the Fund and LIV Partners in proportion to the adjusted percentage interests (rather than using the Promote percentages described immediately above). Such Promote crystallization will result in the LIV Partners entity being entitled to distributions in proportions that are more or less than the Promote percentages described immediately above, in which case the Fund will also receive distributions in proportions that are more or less than the percentages immediately above.

The following is an example of a promote crystallization for a specific Real Estate Investment thirty months after the initial investment in the Real Estate Investment. The example assumes a hypothetical sale of the Real Estate Investment followed by the hypothetical distribution of the net proceeds of such sale using the distribution priorities outlined above.

	Total	The Fund	LIV Partners
Original Equity Invested in Holdings Entity	\$23,717,869	\$21,346,082	\$2,371,787
Equity Ownership %		90%	10%
Hypothetical Distributable Amount	\$69,215,695		
(1) Return of Capital		21,346,082	2,371,787
(2) Preferred Return – 8%		4,350,492	395,135
(3) 70/30 until 15% Return		4,678,551	2,005,093
(4) 60/40 until 20% Return		2,757,136	1,838,091
(5) 50/50 thereafter		14,736,664	14,736,664
Total Hypothetical Distribution	\$69,215,695	\$47,868,925	\$21,346,770
Hypothetical Share of Total Distribution		69.16%	30.84%
Equity Ownership % of Holdings Entity after Crystallization		69.16%	30.84%

For purposes of this Memorandum, “Carried Interest Distributions” refer to either payments made to a LIV Partners entity on account of the Promote, or payments to the LIV Partners entity made in accordance with the LIV Partners entity’s percentage interest after adjustment for Promote crystallization.

“Available Cash Flow” means, with respect to any period for which such calculation is being made, the excess of (a) all cash and other gross proceeds received by the joint venture or the Fund, as the case may be, from whatever sources (including any Capital Proceeds and any reserves previously established which are determined to no longer be required) and the fair market value of any investments available for distribution of the joint venture or the Fund, as the case may be, (as determined by the manager of the joint venture or the General Partner in their sole discretion), over (b) the sum of (without duplication) (i) Operating Expenses of the joint venture or the Fund during such period, including payment of any fees payable to LIV Development or affiliates thereof, (ii) expenses relating to any Capital Transaction, (iii) any distributions previously made with respect to such period, and (iv) any amounts set aside as reserves during such period.

Clawback Obligation

Upon Fund liquidation, if the Limited Partners have not received a return of all of their Capital Contributions plus the Preferred Return, the Principals, through their indirect ownership interests in the LIV Partners entities, will be required to refund an amount (the “Clawback”) to the applicable Holdings entity. The Holdings entity will then distribute the refunded amounts to the Fund, which will then distribute the refunded amounts to the Limited Partners. The amount of the Clawback will be the lesser of (i) the after-tax amount of the Carried Interest Distributions received by the Principals, and (ii) the amount by which the cumulative distributions made by the Fund to the Limited Partners fall short of the amounts that would be necessary to pay the Limited Partners a Preferred Return plus return their Capital Contributions. "After-tax amount" means an amount equal to (a) the amount of Carried Interest Distributions to the LIV Partners entity minus (b) the amount of income tax imposed on the LIV Partners entities and its direct and indirect members with respect to (i) allocations of taxable income related to such Carried Interest or (ii) Carried Interest Distributions, in each case based on the Assumed Tax Rate (defined as the highest effective marginal combined federal, state, and local income tax rate for an individual residing in Birmingham, Alabama, taking into account the character (for example, long-term or short-term capital gain, ordinary, or exempt) of the applicable income). The Clawback, if any, will be calculated and payable only on the completion of the liquidation of the Fund. The Principals, through their direct or indirect ownership of each LIV Partners entity, will personally guarantee the payment of the Clawback on a pro rata several basis (and not on a joint and several basis). The amount of each owner's personal guaranty of the Clawback obligation is based on that owner's share of total Carried Interest Distributions made to the LIV Partners entity.

Reports

The General Partner will prepare, or cause to be prepared, the Fund's annual income tax return and annual unaudited financial statements. The General Partner will use commercially reasonable efforts to

transmit within 90 days after the end of each calendar year to each Limited Partner a report indicating such Person's respective proportionate share of the profits and losses for such calendar year for federal income tax purposes and, within 90 days after the end of each calendar year, a copy of the aforementioned unaudited financial statements.

Limited Partners should anticipate the need for extending the filing of their individual tax returns as a result of the timing of the delivery of reports relating to their investment in the Fund.

The General Partner will also use commercially reasonable efforts to furnish, within sixty (60) days after the end of each of the first 3 fiscal quarters during each fiscal year or as soon as reasonably practical thereafter, (i) unaudited financial statements of the Fund for the quarter then ended and (ii) other materials setting out descriptive information regarding the Fund's operations and activities, which may be in a summary outline or narrative form, as the General Partner may determine to be appropriate for disclosure to accompany such financial reports.

The General Partner will, to the maximum extent permitted by law, be deemed to have satisfied its obligations to transmit tax returns, financial statements and reports if the General Partner posts such returns, statements and/or reports on a secure website and gives notice to the Limited Partners of the availability of such returns, statements and/or reports, the URL address of the secure website and a password for access to such secure website, if necessary.

Term of the Fund

The term of the Fund will be five (5) years from the date the Investment Period expires but may be extended by the General Partner (in its sole and absolute discretion) for up to two (2) additional years and thereafter the term of the Fund may be extended upon the consent of a majority of the Limited Partners (as extended, the "Term").

Upon expiration of the Term, the General Partner will use its best efforts to liquidate all of the assets of the Fund and of any subsidiary in an orderly manner and distribute all investments or proceeds as soon as practicable.

There can be no assurance that the General Partner will be able to liquidate the Fund's or any subsidiary's assets within these time periods. The timing of the liquidation of the Fund's investments will depend on, among other factors, market conditions and availability of financing.

Reinvestment of Capital Proceeds

During the Investment Period, the General Partner will be permitted, in its sole discretion, to make further investments in existing Real Estate Investments or investments in new Real Estate Investments with any capital proceeds received by the Fund rather than distribute such capital proceeds to the Limited Partners. The reinvestment of such capital

proceeds will not reduce the unpaid Capital Contribution Commitments of the Limited Partners.

Indemnification

The General Partner, the Fund Advisor and their affiliates and subsidiaries, the Advisory Committee Members, the Investment Committee Members and all other officers, directors, members, employees, partners, shareholders, agents and advisors of the General Partner, the Fund Advisor and their affiliates (collectively, the “Indemnified Parties”) are entitled to be indemnified by the Fund to fullest extent permitted by law for all losses arising out of or in connection with the performance or nonperformance of any act concerning the activities of the Fund, provided that such indemnitee’s conduct did not constitute Malfeasance (as defined in the LP Agreement to mean any act or omission which constitutes (a) actual fraud, (b) bad faith, (c) willful misconduct or gross negligence that has a material and adverse effect on the Fund, or (d) a willful violation of law that has a material and adverse effect on the Fund).

Tax Considerations

The Fund expects to be treated as a partnership for Federal income tax purposes. Limited Partners will be required to report on their own tax returns and pay all applicable income taxes on their allocable shares of the Fund’s taxable income, whether or not any distributions are made to the Limited Partners. Prospective investors should satisfy themselves as to the income tax consequences of an investment in the Fund with specific reference to their own tax situation by obtaining advice from their own tax adviser before purchasing LP Units. See “Certain Tax Considerations” below.

Fund Accountants

Warren Averett, LLC

The General Partner will have the right, in its sole discretion, to replace the accountants for the Fund with another independent certified public accounting firm.

Side Letters

The Fund and/or the General Partner may, without providing notice to or receiving consent from existing Limited Partners, enter into “side letter” agreements with certain Limited Partners selected by the General Partner that have the effect of adding to or modifying the respective rights and obligations of such Limited Partner(s) with respect to the terms of the LP Agreement or any Subscription Agreement as among the parties thereto, and no Limited Partner not a party to any particular side letter will be a third-party beneficiary thereto.

Power of Attorney

Each Limited Partner will irrevocably constitute and appoint the General Partner and each member, partner, officer, manager, or director of the General Partner, as the true and lawful attorney-in-fact of such Limited Partner, with full power of substitution, with such attorney-in-fact having full power and authority in the Limited Partner’s name, place and stead to execute, acknowledge, deliver, swear to, certify, verify, publish, file and record at the appropriate public offices, in its or its assignee’s name, place and stead, such documents as may be necessary or

appropriate to carry out the provisions of the LP Agreement, all in accordance with the terms of this Agreement. No action may be taken pursuant to the power of attorney that would have the effect of amending the LP Agreement, that would allow the power of attorney to vote on behalf of the Limited Partner, or that would increase the Limited Partner's liability beyond the terms of the LP Agreement.

Additional Information

Requests for additional information should be directed to the offices of the General Partner at 2204 Lakeshore Drive, Suite 450, Birmingham, AL 35209, Phone: (205) 484-2845. Attention: Jeff Hicks. E-mail: jeff@livdev.com

TERM OF THE FUND; INVESTMENT PERIOD

Term of the Fund

The term of the Fund will be five (5) years from the date the Investment Period expires but may be extended by the General Partner (in its sole and absolute discretion) for up to two (2) additional years (at which point the term may be further extended with the consent of a majority of the Limited Partners) (as may be extended, the "Term"). The investment period ("Investment Period") will commence with the Initial Closing and will expire on the second (2nd) anniversary of whichever happens first: (i) the Final Closing, or (ii) the Offering Termination Date; provided, however, the Investment Period expiration may be extended by the General Partner (in its sole discretion) for up to one (1) additional year. The General Partner will provide written notice to the Limited Partners of any extension or early termination of the Investment Period.

Upon expiration of the Term, the General Partner will use its best efforts to liquidate all of the assets of the Fund in an orderly manner and distribute all investments or proceeds as soon as practicable.

There can be no assurance that the General Partner will be able to liquidate the Fund's assets within these time periods. The timing of the liquidation of the Fund's Real Estate Investments will depend on, among other factors, market conditions and availability of financing.

Dissolution and Liquidation

The Fund will be dissolved upon the occurrence of (i) a termination event under Delaware law, (ii) the sale or other disposition (not including an exchange) of all or substantially all of the Fund's assets, except under circumstances where all or a portion of the purchase price is payable after the closing of the sale or disposition, (iii) the insolvency or bankruptcy of the Fund or an assignment by the Fund for the benefit of creditors, (iv) subject to limitations set forth in the LP Agreement, the bankruptcy, dissolution, removal, or other withdrawal of the General Partner or the transfer of the General Partner's interest in the Fund, (v) a determination by the General Partner that the Fund should be dissolved and a majority of the Limited Partners consent thereto, or (vi) the expiration of the Term of the Fund. Upon dissolution of the Fund, the General Partner (or, in certain situations, a person appointed by a majority of the Limited Partners) will liquidate the assets of the Fund and apply the proceeds as follows: (x) first, to the creditors of the Fund (including, without limitation, the Fund Advisor and any Partners that are creditors to the extent permitted by law, which shall include the General Partner to the extent it is owed any fees, reimbursements or payments), in satisfaction of liabilities of the Fund other than liabilities for

distributions to Limited Partners, (y) second, to establish reserves deemed reasonably necessary for contingent or unforeseen liabilities, and (z) third, the balance will be distributed to the Limited Partners in accordance with the distributions provisions of the LP Agreement. See Article VIII of the LP Agreement.

Investment Period

The investment period (“Investment Period”) will commence with the Initial Closing and will expire on the second (2nd) anniversary of whichever happens first: (i) the Final Closing, or (ii) the Offering Termination Date; provided, however, the Investment Period expiration may be extended by the General Partner (in its sole discretion) for up to one (1) additional year. The General Partner will provide written notice to the Limited Partners of any extension or early termination of the Investment Period.

Capital Contribution Commitments called by the General Partner on or prior to the expiration of the Investment Period can be used to fund (x) new Real Estate Investments (including indirectly via a subsidiary); (y) additional capital required by Real Estate Investments currently then-held by the Fund or a subsidiary; and (z) operating expenses of the Fund or a subsidiary. The General Partner will not make Capital Calls following the expiration of the Investment Period except (A) to fund operating expenses as needed if the Fund’s or a subsidiary’s cash flow does not cover such expenses, and (B) to fund Real Estate Investments that have been identified and are under an executed letter of intent and/or purchase agreement as of the expiration of the Investment Period. See Exhibit A – LP Agreement.

THE FUND MANAGERS

The General Partner – LIV Development Fund I GP, LLC

LIV Development Fund I GP, LLC, a Delaware limited liability company (the “General Partner”), will serve as the sole General Partner of the Fund, and in such capacity has full responsibility for the day-to-day management and administration of the business and affairs of the Fund. The General Partner will also have the authority to identify and evaluate prospective Real Estate Investments, to monitor the Fund’s investments, and to evaluate refinance, sales and other divestiture strategies. The General Partner’s principal business office is located at 2204 Lakeshore Drive, Suite 450, Birmingham, AL 35209. The General Partner is owned and controlled, directly or indirectly, by Robert B. Crumpton, III, Thomas Spies, Andrew Murray, Michael Mummert, Jeff Hicks, Jason Bailey, and Katie Stripling (collectively, the “Principals”), all of whom are residents of the State of Alabama.

The Fund’s investment committee (the “Investment Committee”) will have no less than five (5) members that will assist in evaluating potential Real Estate Investments. The Investment Committee will initially be comprised of six (6) members. The members of the Investment Committee (the “Investment Committee Members”) will initially be Robert B. Crumpton, III, Thomas Spies, Jeff Hicks, Bradley J. Sklar, Thomas Harris, and Jeffrey Cash. Robert B. Crumpton, III will serve as chairman of the Investment Committee. From time to time, other analysts and employees of the General Partner or the LIV Entities may attend and participate in Investment Committee meetings, but such analysts and employees will not have voting rights with respect to an investment. The Investment Committee will have final approval of all investment and disposition decisions for the Fund, which will require the affirmative vote of all of the Investment Committee Members.

The Fund will have an Advisory Committee comprised of between three (3) and five (5) members (“Advisory Committee Members”) who are designated by the General Partner. The Advisory Committee

Members will be individuals who (i) are not affiliates of the General Partner and (ii) are Limited Partners of the Fund or affiliates of a Limited Partner of the Fund. The Advisory Committee will have approval rights under the LP Agreement with regard to certain actions taken by the Fund, including approving certain affiliate transactions, otherwise voting on certain activities that potentially could be viewed as conflicts of interest, extending certain deadlines and waiving certain other LP Agreement restrictions.

The Fund Advisor – LIV Development, LLC

LIV Development, LLC, a Delaware limited liability company (the “Fund Advisor”) and an affiliate of the General Partner, will (i) assist the Fund and the General Partner in identifying and evaluating prospective Real Estate Investments; (ii) recommend (subject to the approval of the Investment Committee) that the Fund acquire prospective Real Estate Investments; (iii) monitor the Fund’s investments; and (iv) make recommendations to the Fund and the General Partner with respect to sales and other divestiture strategies. The Fund Advisor’s principal business office is located at 2204 Lakeshore Drive, Suite 450, Birmingham, AL 35209. The Fund Advisor is wholly owned by Robert B. Crumpton, III. The Fund Advisor will enter into a Fund Advisor Agreement (the “Fund Advisor Agreement”) with the Fund that governs the relationship between the Fund Advisor and the Fund. The General Partner may remove and replace the Fund Advisor under certain conditions provided for in the Fund Advisor Agreement.

Limitation of Liability; Indemnification

The Fund will indemnify the Indemnified Parties to the fullest extent permitted under the Delaware Act against claims, liabilities, costs and reasonable expense (including legal fees) arising from any claim, action, suit or proceedings relating to the performance or nonperformance of any act concerning the activities of the Fund, provided that such indemnitee’s conduct did not constitute Malfeasance (as defined in the LP Agreement to mean any act or omission which constitutes (a) actual fraud, (b) bad faith, (c) willful misconduct or gross negligence that has a material and adverse effect on the Fund, or (d) a willful violation of law that has a material and adverse effect on the Fund). Notwithstanding the foregoing, no indemnification shall be made that relates to disputes among principals of the General Partner.

The Management Team

The following are the biographies of the Principals and Key Advisors of the Fund Advisor:

Robert B. Crumpton, III. Robert (“Robb”) B. Crumpton, III, age 43, is the Founder and Chief Executive Officer of LIV Development and has served in such capacity since 2007. He is responsible for all activities of LIV Development. Under Robb’s leadership, LIV Development has completed or is currently developing more than 14,000 units across 50 apartment communities located in 11 states representing value of more than \$3 billion. Prior to founding LIV Development, he was on the Construction/Development team of Capstone Building Corporation and was responsible for overseeing pre-development, due diligence, budgeting, pricing, contracting and construction of both student housing and conventional multifamily developments across the Southeast and Midwest. Robb holds a Bachelor of Science in Building Construction from the McWhorter School of Building Science at Auburn University.

Thomas Spies. Thomas (“Tom”) Spies, age 57, is the President and COO of LIV Development and has served in such capacity since 2018. He is responsible for managing the day-to-day operations of LIV Development. Tom was formerly the Managing Partner for a private consulting firm, LAT30 Strategic Partners. From 2002 to 2016, he served as the COO of The Powell Group in Baton Rouge, LA, a company

engaged in rice milling & farming, timber, biomass power production, mitigation banking, radio broadcasting, and real estate development. Tom has significant experience in revenue generation and management, capacity-limited revenue modeling, strategic planning, production & operations, mergers & acquisitions, and marketing & advertising.

Andrew Murray. Andrew Murray, age 45, serves as Senior Managing Director of Development of LIV Development and has served in such capacity since February 2014. As the Senior Managing Director of Development, Andrew is responsible for originating and structuring new investment opportunities for LIV Development. From 2012 to 2014, Andrew worked as Development Director of Herman & Kittle Properties, Inc., a large regional development company focusing on new conventional and tax credit development opportunities. From 2010 to 2012, he was Vice President of Acquisitions of Summit Housing Partners, and from 2003 to 2009, he was Principal - Sales Advisory Team of Rock Apartment Advisors, working with over \$1.0 Billion in apartment transactions over six years. Andrew has worked in the multifamily industry since 2001. He earned a bachelor's degree in Economics from Birmingham Southern College in 1999.

Michael Mummert. Michael Mummert, age 45, serves as Managing Director of Construction of LIV Development and has served in such capacity since 2016. Michael is responsible for overseeing all aspects of pre-construction, specifically relating to budgeting, estimating, and negotiating construction contracts for all multifamily projects. From 2011 to 2016, Michael served as the Vice President of Pre-Construction and Estimating for Capstone Building Corporation where he developed and coordinated project estimates through Capstone's pre-construction services. In 2011, Michael earned a Bachelor of Science in Building Construction from the McWhorter School of Building Science at Auburn University.

Jeff Hicks. Jeff Hicks, age 50, is the Chief Financial Officer of LIV Development and has served in such capacity since April 2022. As Chief Financial Officer, Jeff is responsible for overseeing all finance and accounting functions and developing financial strategies for LIV Development. From 2007 to 2022, he served as the Chief Financial Officer of Ram Tool Construction Supply, Inc. During his tenure at Ram Tool, the company grew to over 40 locations, 1600 employees and over \$750.0 million in revenues. From 1996 to 2007, he was an accounting professional at PricewaterhouseCoopers LLP. Jeff is a Certified Public Accountant, and earned his Bachelor of Business Administration in accounting and Masters of Accountancy from Auburn University.

Jason Bailey. Jason Bailey, age 47, is the Chief Legal Officer of LIV Development and has served in such capacity since 2017. As Chief Legal Officer for LIV Development, Jason oversees all legal matters for the company. Prior to joining LIV Development, he was an attorney with Birmingham-based law firm Maynard, Cooper & Gale, P.C. and Jones Walker, LLP, a New Orleans-based law firm. A native of Mississippi, Jason received his Bachelor of Accountancy, Master of Taxation, and Juris Doctorate from the University of Mississippi.

Katie Stripling. Katie Stripling, age 38, is Chief of Staff and Director of Operations and Strategy for LIV Development and has served in such capacity since 2021. As Chief of Staff and Director of Operations and Strategy, Katie is responsible for executing vision and strategy for LIV Development and overseeing implementation of process improvements, policies, and procedures. From 2020 to 2021, she served as an executive assistant with LIV Development. From 2010 to 2020, she held various position at Samford University in Birmingham, Alabama, including Assistant Vice President for Marketing and Communication, where she directed marketing and communication operations, including strategic planning, media

relations, digital marketing, and crisis communication. In 2006, Katie earned a Bachelor of Arts in Communication from the University of Alabama at Birmingham.

FEES AND EXPENSES

Fees and Other Compensation Payable to General Partner, Fund Advisor & Their Affiliates

Asset Management Fee. In exchange for providing asset management services to the Fund, the Fund will pay the Fund Advisor, an affiliate of the General Partner, an annual asset management fee (the “Asset Management Fee”) equal to 1.5% of the aggregate Capital Contributions made by the Partners as of the date of calculation less any amounts distributed to the Limited Partners that represent a return of principal or capital (as opposed to a preferred return on an investment) from Capital Proceeds. The Asset Management Fee shall be payable quarterly in advance on or before the first business day of each January, April, July, and October. If all or any portion of the Asset Management Fee is not paid in any given quarter because there is insufficient Available Cash Flow, such Asset Management Fee shall accrue and be payable as soon as Available Cash Flow becomes available. The General Partner may elect to waive all or a portion of the Asset Management Fee for certain investors, including employees and affiliates of the Fund Advisor and/or the General Partner.

Carried Interest Distributions. All or substantially all of the joint ventures (i.e., the Holdings entities) are anticipated to be joint ventures between the Fund and a special purpose entity created for the particular Real Estate Investment on behalf of the Principals and affiliates and employees of LIV Development for the particular Real Estate Investment (referred to herein as “LIV Partners”). Each LIV Partners entity will generally be managed and controlled by the General Partner. Each LIV Partners entity will participate in the profits of the Fund’s Real Estate Investments through Carried Interest Distributions made by each joint venture either in accordance with the Promote Crystallization procedure described above under “Summary of Principal Terms – Distributions by the Joint Ventures,” or in the following order of priority. After the Fund and LIV Partners each receive a return of their capital contributions to the particular Holdings entity plus an 8% cumulative preferred return on their capital contributions, the Fund will first receive 70% of the profits of the joint venture and the LIV Partners entity will receive 30% of such profits, until the Fund has achieved a 15% IRR from the joint venture. Second, the Fund will then receive 60% of the profits of the joint venture and the LIV partners entity 40% of such profits, until the Fund has achieved a 20% IRR from the joint venture. Thereafter, the Fund and the LIV Partners entity will each receive 50% of the profits of the joint venture.

Development Fees. LIV Development and the project-specific LIV Partners entity may be paid a development fee (“Development Fee”) in connection with providing development services in developing each Real Estate Investment. The total aggregate amount of the Development Fee will not exceed 5% of the project budget for each Real Estate Investment. We anticipate that Development Fees will generally be 3% per Real Estate Investment and will be payable by the Holdings entity for each Real Estate Investment in 15 equal monthly installments commencing with the closing of the construction loan for each Real Estate Investment and therefore borne indirectly by the Fund. The Development Fee actually paid by each Holdings entity may be reduced in exchange for a grant of an equity interest in the joint venture’s profits to the LIV Partners entity.

Acquisition Fees. The Fund Advisor or an affiliate thereof may be paid an acquisition fee (“Acquisition Fee”) in connection with the acquisition of each Real Estate Investment in an amount not to exceed two percent (2%) of the purchase price of the real property underlying each such Real Estate

Investment. We anticipate that Acquisition Fees will generally be 1-2% of the purchase price of the real property underlying each Real Estate Investment and will be payable by the legal entity that owns each Real Estate Investment and therefore borne indirectly by the Fund.

Construction Services Fees. On those Real Estate Investments on which LIV Development, an affiliate of the General Partner, serves as the construction manager, LIV Development shall be paid a Construction Services Fee for services provided in connection with the construction, renovation or replacement of multi-family units in such Real Estate Investments payable at a market rate in the location of such Real Estate Investment; provided however, such Construction Services Fee will not exceed one and a half percent (1.5%) of the guaranteed maximum price of the construction contract amount of such Real Estate Investment and will be payable by the legal entity that owns each Real Estate Investment and therefore borne indirectly by the Fund.

Design Services Fees. LIV Creative Group is a division of LIV Development, the Fund Advisor. LIV Creative Group may provide design-related services to one or more Real Estate Investments. We anticipate that these services will generally cost \$60,000 for each Real Estate Investment, but that amount is subject to increase based on market conditions for similar services in the location of the Real Estate Investment. Such fee will be payable by the legal entity that owns each Real Estate Investment and therefore borne indirectly by the Fund.

Other Fees. The General Partner, the Fund Advisor, or any of their respective affiliates may provide to the Fund and/or any Real Estate Investment any Project Services (including leasing of equipment) in lieu of third parties providing such services so long as such services (including leasing services) are on terms that are determined by the General Partner to be fair and reasonable to the Fund and/or the Real Estate Investment. In exchange for providing Project Services or leasing of equipment, the service provider may receive fees for such services so long as any such fees do not unreasonably exceed the rate that would be payable by the Fund or the Real Estate Investment if such services or equipment were provided by unaffiliated third parties in the business of providing comparable services and equipment in the applicable market.

Pursuit Costs. The Fund will pay, or reimburse the General Partner, Fund Advisor, or their affiliates for, all pursuit costs and transaction expenses arising in connection with the Fund and/or its consummated investments (to the extent not borne or reimbursed by the legal entity acquiring a Real Estate Investment at the construction loan closing for such Real Estate Investment). Notwithstanding the foregoing, the General Partner the Fund Advisor, and/or their affiliates will reimburse the Fund and any Holdings entity for any and all Dead Deal Costs actually paid by the Fund or any Holdings entity. All Dead Deal Costs borne by any person other than the Fund or a Holdings entity shall (i) be borne by the person incurring such costs and (ii) shall not be entitled to reimbursement by the Fund or any Holdings entity. In addition, LIV Development shall be paid a pre-development fee for each Real Estate Investment in an amount not to exceed \$85,000.

Fund Expenses

Without duplication, the Fund will pay, or reimburse the General Partner for, all reasonable expenses incurred in the organization and operation of the Fund, including all expenses payable by the Fund and/or a subsidiary in connection with consummated Real Estate Investments; all fees and expenses payable by the Fund or a subsidiary in connection with acquiring, owning, operating, managing and/or monitoring the Real Estate Investments; expenses payable by or allocable to the Fund under the LP

Agreement, including the Asset Management Fee and any amounts payable to a third party property manager and general contractor, if any; all costs and expenses associated with the organization of the General Partner, the Fund and the subsidiaries and of the initial offering or sale of LP Units; all continuing costs and expenses associated with the offering or sale of LP Units (including without limitation fees and expenses of attorneys and accountants, filing fees, printing and mailing costs); all costs and expenses associated with negotiating and entering into contracts and arrangements in the ordinary course of the Fund's and/or the subsidiaries' business; all costs and expenses of third party administrators retained for Fund purposes; insurance premiums for any insurance providing coverage to the Fund, the subsidiaries and/or the Real Estate Investments; all legal, accounting, brokerage and other professional, expert and consulting fees and expenses arising in connection with the Fund's and/or the subsidiaries business; all costs and expenses relating to hosting meetings of the Advisory Committee (including the reimbursement of travel expenses for the Advisory Committee Members); the Fund's proportionate share of travel expenses; all interest on the Fund's and/or subsidiaries' borrowings and other obligations; any taxes or other government charges payable by the Fund and/or the subsidiaries; all extraordinary expenses of the Fund and the subsidiaries, such as litigation costs; indemnification obligations; and all other Fund custodial, offering, operating and reasonable costs and expenses incurred in identifying, evaluating, arranging, negotiating, structuring, trading, or settling any transaction directly or indirectly consummated by the Fund. Organizational and initial offering expenses will be advanced or payable by the General Partner and its affiliates and reimbursed to them or paid directly by the Fund and will be capitalized and amortized over 60 months from the date of the Initial Closing of the Fund. On the other hand, the General Partner, the Fund Advisor, and/or their affiliates shall be obligated to reimburse the Fund (or the Holdings entity that incurred such costs) for all Dead Deal Costs.

CERTAIN RISK FACTORS

An investment in the Fund involves significant risk and is suitable only for investors of substantial financial means who can accommodate limited or no liquidity in their investment and who can bear the risk of potential loss of all or a substantial portion of their investment. Prospective investors should carefully consider the following risk factors among the other risks described in this Memorandum. The inclusion of the following risk factors should not be construed to imply that they are described in complete detail or that there are no other risk factors that apply to an investment in the Fund.

Impact of COVID-19 Pandemic

Unfavorable economic conditions, including as a result of health and safety concerns, could adversely affect our business, financial condition or results of operations. Our business and operational results could be adversely affected by general conditions in the U.S. economy, including conditions that are outside of our control, such as those caused by the impact of health and safety concerns like the COVID-19 coronavirus pandemic ("COVID-19"). The recent U.S. and global economic and financial conditions related to COVID-19 resulted in extreme volatility and disruptions in many business sectors and in the capital and credit markets. A severe or prolonged economic downturn, and the related adverse economic and health consequences could result in a variety of risks to our business, financial condition or results of operations, including weakened demand for our properties, decreased returns caused by reduced revenues, increased costs of certain supplies, increased defaults by our tenants, and reduced

access to capital and credit markets. Additionally, our business relies heavily on our employees, including key employees, and adverse events such as health-related concerns, the inability to travel and other matters affecting the general work environment could materially and adversely affect our business in a number of ways. A pandemic typically results in social distancing, travel bans and quarantine, and this may limit access to our facilities, management, support staff and professional advisors. Emergency orders shutting down non-essential businesses, limiting congregations of people, and requiring social distancing have at times disrupted, and may in the future disrupt, our development and construction activity. To the extent we experience delays in construction, our construction costs may increase and we may not achieve, on the schedule we originally planned, the cash flows that we expect when we begin leasing a completed property. We may also delay the start of construction of additional development communities which, if constructed and leased as originally planned, would have been a source of future additional cash flow. Our rental revenue and operating results depend significantly on the occupancy levels at our properties and the ability of our tenants to meet their rent and other obligations to us. Tenants that experience deteriorating financial conditions as a result of the COVID-19 pandemic may be unwilling or unable to pay rent in full on a timely basis or at all. In some cases, we may have to restructure tenants' rent obligations and may not be able to do so on terms that are as favorable to us. In addition, numerous state, local, federal and industry-initiated efforts may also affect our ability to collect rent or enforce remedies for the failure to pay rent, particularly with respect to multifamily properties. These factors, in turn, may not only impact our operations, financial condition and demand for our properties, but our overall ability to react timely to mitigate the impact of this event. In the event of a major disruption caused by the outbreak of pandemic diseases such as COVID-19, we may lose the services of a number of our key employees or experience other interruptions, which could adversely impact our regular business operations, and lead to inefficiencies and reputational harm. Due to the uncertainty around the ultimate impact of the COVID-19 outbreak to our business and operations, the impact on our business and operational results cannot be reasonably estimated at this time. Any of the foregoing could harm our business, and we cannot anticipate all the ways in which the current COVID-19 pandemic and financial market conditions could adversely impact our business.

Investment & Real Estate Risks

Investments selected by the General Partner will utilize a variety of investment strategies and techniques, and the investment risks described below do not necessarily cover all of the investment risks to which the Fund's Real Estate Investments will be subject.

Overall Investment Risk. All investments risk the loss of capital. There can be no assurances that the Fund will not incur losses. Many unforeseeable events, including actions by various government agencies and domestic and international political events, may cause losses.

Future and Past Performance. The performance of the principals of the General Partner and its affiliates prior investments is not necessarily indicative of the Fund's future results. While the General Partner intends for the Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Newly Formed Investment Program. The Fund was organized to invest in Real Estate Investments and employ investment strategies of the types described in this Memorandum and the other subscription documents (the "Investment Program"). Although the General Partner and its affiliates have experience that is relevant to the Investment Program and its investment strategies, the Fund has no performance or

operating history. While the General Partner intends to make Real Estate Investments that have estimated returns commensurate with the risks undertaken, there can be no assurance of success. The past investment performance of entities with which the LIV Entities have been associated should not be construed as an indication of future results of any Real Estate Investment.

Real Estate Investments – General Risk. An Investor’s investment in the Fund, and the Fund’s acquisition and development of Real Estate Investments, will be subject to risks generally incident to the ownership of real property, including, but not limited to, uncertainty as to cash flow to meet fixed and other obligations; adverse changes in local employment conditions, interest rates and real estate taxes; changes in fiscal policies; declines in rental or occupancy rates; changes in supply or demand for competing properties in a market; changes in the financial condition of tenants and their ability to make rent payments; energy and supply shortages; the occurrence of natural disasters and other force majeure events; and uninsured losses and other risks that are beyond the control of the General Partner, the Fund Advisor or the Fund. Additionally, real estate investments may be adversely affected by government regulation (including environmental, land-use, zoning, fair housing, and permitting laws and regulations). Because real estate, like other long-term investments, historically has experienced significant fluctuations and cycles in values, specific market conditions may result in occasional or permanent reduction in the values of Real Estate Investments acquired and/or developed by the Fund. Also, there can be no assurance of profitable operations of such Real Estate Investments or that there will be cash from such operations available for distribution to the Fund’s Investors because the cost of owning real estate, such as the Fund’s Real Estate Investments, may exceed the income produced, particularly since certain expenses related to real estate and its ownership, such as property taxes, utility costs, maintenance and insurance costs and other operating expenses, tend to increase over time and are largely beyond the control of the General Partner, the Fund Advisor and the Fund.

Long-Term Investment. An investment in the Fund requires a long-term commitment. It is anticipated that the Fund will develop and hold a Real Estate Investment for a 2.5 to 3-year period; however, due to circumstances outside of the General Partner’s control, the period during which the Fund actually holds a Real Estate Investment could be much longer. While it is the intention of the General Partner to achieve targeted returns over the life of the Fund, factors such as overall economic conditions, the competitive real estate environment, market changes, interest rates and unexpected casualty events may shorten or lengthen the Fund’s holding period and affect its returns during such period.

Financing of Real Estate Projects. It is expected that the direct or indirect acquisition by the Fund of a Real Estate Investment will be financed in substantial part by utilizing debt (either direct incurrence or by assumption of existing mortgage debt), which increases the exposure to loss. Payments on such debt, including mortgages having “balloon” payments at maturity, must be made regardless of the sufficiency of cash flow from such Real Estate Investment. Additionally, the mortgage loan secured by such Real Estate Investment may have a maturity date that is earlier than the expiration of the anticipated holding period for such Real Estate Investment, making repayment and/or refinancing of such mortgage loan a necessity. Mortgages requiring “balloon” payments may involve greater risk than mortgages where the principal amount is fully amortized over the term of the loan since the ability to repay the outstanding principal amount of the “balloon” loan may be dependent upon the ability to obtain adequate replacement financing, which will be dependent upon interest rates, the appraised value of such Real Estate Investment, lenders’ policies at the time of refinancing, and economic conditions generally. There is no assurance that replacement financing will be available at all when necessary to make “balloon” payments or that any replacement financing will be available on favorable and affordable terms. Depending on the level of leverage and the decline in value, if mortgage payments are not timely made,

a Real Estate Investment could be lost (and the investment in the Fund significantly impaired or even rendered valueless) because of a foreclosure or other lender remedy. A foreclosure may also have substantial adverse economic and tax consequences for the investors of the Fund.

Capital and credit market conditions may adversely affect our access to various sources of capital and/or the cost of capital, which could impact our Real Estate Investments, business activities, distributions, and earnings, among other things.

In periods when the capital and credit markets experience significant volatility, the amounts, sources and cost of capital available to us may be adversely affected. We primarily use external financing to fund construction and to refinance indebtedness as it matures. If sufficient sources of external financing are not available to us on cost effective terms, we could be forced to limit our construction and development activity and/or take other actions to fund our business activities and repayment of debt, such as selling assets, reducing our cash distributions. If we are able and/or choose to access capital at a higher cost than we have experienced in recent years, our cash flows could be adversely affected. We believe that the lenders under our Credit Facility will fulfill their lending obligations thereunder, but if economic conditions deteriorate, the ability of those lenders to fulfill their obligations may be adversely impacted.

Refinancing Risk. If a Real Estate Investment uses a construction loan secured by mortgage debt on a multifamily construction and development project, we run the risk of not having the flexibility to choose to refinance part or all of the project when the debt becomes due or of being unable to refinance on favorable terms. If interest rates are higher if and when we refinance construction loans with permanent loans, our income could be reduced. We may be unable to refinance or may only be able to partly refinance multifamily development projects if underwriting standards, including loan to value ratios and yield requirements, among other requirements, are more strict than when we originally financed the development. If any of these events occurs, our cash flow could be reduced and/or we might have to pay down existing mortgages. This, in turn, would reduce cash available for distribution to Limited Partners.

Investment Decisions; Unidentified Investments. Except for approval of the Investment Committee for acquisitions of Real Estate Investments, the General Partner (with assistance from the Fund Advisor) will have sole and absolute discretion in identifying, structuring, negotiating, purchasing and ultimately divesting Real Estate Investments for the Fund. Consequently, Investors in the Fund will not be able to evaluate for themselves the merits of a particular Real Estate Investment prior to such Investor's subscription for LP Units, nor will such Investors be entitled to participate in any manner in decisions regarding the refinancing or divesting a particular investment. Investors will not have the opportunity to evaluate personally the relevant economic, financial, operational and other information that will be utilized by the General Partner in its selection and evaluation of Real Estate Investments.

As a result of the forgoing, the Fund's investors must rely on the General Partner and the Fund Advisor to select suitable Real Estate Investments for the Fund. No assurance can be given that the Fund and the Fund Advisor will be successful in acquiring economically desirable assets or assets that, once acquired, will be and remain profitable for the Fund.

As of the date of this Memorandum, the Fund has not yet acquired or entered into any agreements to acquire any specific assets. The Fund has identified potential acquisition targets in the Charlotte, North Carolina, Birmingham, Alabama, and Atlanta, Georgia areas, which are described on Exhibit D attached hereto. LIV Development and/or its affiliates have entered into agreements to acquire

the properties, which agreements, if the projects proceed to closing, are expected to be assigned to a subsidiary of the Fund on or about the date on which the Fund subsidiary acquires the property. There can be no assurance that the Fund will ultimately acquire any of the opportunities described on Exhibit D.

Non-Diversification of Investments. The Fund will only invest in Real Estate Investments. The Fund is not subject to certain general restrictions on the types of Real Estate Investments other than as described in this Memorandum and the LP Agreement. Other than such restrictions, prospective investors in the Fund have no assurance as to the degree of geographic or other diversification that will be achieved in the Fund's investments. This failure to diversify could result in adverse consequences if all investments in the Fund are negatively affected by the same changing market or economic condition. Additionally, the Fund may participate in a limited number of Real Estate Investments and may seek to make several investments in certain regions or sectors within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular sector may substantially affect its aggregate return. While we intend to invest in a number of properties across several geographical locations and markets, we will not divest in a diverse set of asset classes. Further, we have no plans to acquire any assets other than assets consisting of multifamily construction and development projects. The unfavorable performance of a single Real Estate Investment may substantially impact the Fund. Furthermore, to the extent that the capital raised is less than the maximum amount, the Fund may invest in fewer real estate and real estate-related assets and thus be less diversified.

No Assurance of Real Estate Investment Appreciation. There is no assurance that any of the Fund's Real Estate Investments will appreciate in value over the term of the Fund or that they can ever be sold at a profit. It is possible that some or all of such Real Estate Investments may ultimately be sold by the Fund at a net price which will be less than the acquisition and development costs paid for such Real Estate Investment.

Investments in Undervalued Assets. The Fund may invest in Real Estate Investments that the General Partner believes are undervalued. The identification of investment opportunities in such undervalued assets is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in undervalued assets offer the opportunity for capital appreciation, these investments involve a higher degree of financial risk and may result in substantial losses. Returns generated from such investments may not adequately compensate for the business and financial risk assumed.

Illiquid Real Estate Assets; Disposition Indemnification Risk. Each Real Estate Investment constructed by the Fund will be highly illiquid and there can be no assurance that the Fund or its Investors will be able to realize any returns from such investment in a timely manner, if at all. In connection with the disposition of a Real Estate Investment, the Fund may be required to make representations about the project typical of those made in connection with the sale of real estate. The Fund may be further required to indemnify the purchasers of such real estate to the extent any such representations turn out to be inaccurate, incorrect, incomplete or misleading. These contingent indemnification obligations may require the General Partner to establish reserves or escrow accounts that, as a consequence, reduce amounts distributable by the Fund to the Limited Partners. Additionally, the Fund may not have sufficient available cash on hand to pay any post-closing indemnification payment and/or the Investors may be required to return a portion of the capital proceeds distributed to them in connection with the sale of such Real Estate Investment to cover such post-closing indemnification payment.

Risks in Investing in Residential Properties. The Fund intends to develop and own multi-family residential properties. Such investments generally will be subject to all of the risks attendant upon the development, ownership and operation of other real estate assets, including, but not limited to, vacillations in the demand for residential space; risk of loss or damage to the improvements, tenant improvements, or property of tenants, environmental risk, and other risks associated with the ownership of real estate. In addition to such other risks, the value and successful operation of a multifamily property may be affected by a wide range of factors: the physical attributes of the property, such as its age, condition, design, appearance, access to transportation and construction quality; the location of the property; ability of the property manager or other management to provide adequate maintenance and insurance; the types of services or amenities that the property or surrounding area provides and the property's or the area's reputation; the level of mortgage interest rates and availability of government incentives, which may encourage residents to ultimately purchase rather than lease the homes, if possible; the generally short terms of residential leases; the presence of competing properties; the resident mix, such as the resident population being predominantly students or being heavily dependent on workers from a particular business or personnel from a local industrial unit; adverse local or national economic conditions, which may limit the amount of rent that may be charged and may result in a reduction of timely rent payments or a reduction in occupancy or leasing activity; state and local regulations, which may affect the Fund's ability to increase rent to the level of market rents for an equivalent home; government assistance/rent subsidy programs available in competing homes; and the inventory of unsold homes in the local market that are being rented until economic conditions in the residential market improve. In addition, certain jurisdictions regulate the relationship between an owner and its residents. Commonly, these laws require a written lease, good cause for eviction, disclosure of fees and notification to residents of changed land use, while prohibiting unreasonable rules and retaliatory evictions. The Fund may incur additional expenses and spend extended periods of time complying with such regulations, which may negatively impact the performance of the Fund.

In addition to U.S. federal, state and/or local regulation of the landlord-tenant relationship, some counties and/or municipalities impose rent control on apartment buildings. These ordinances may limit rent increases to fixed percentages, to percentages of increases in the consumer price index, to increases set or approved by a governmental agency or to increases determined through mediation or binding arbitration.

Multi-family rental properties are part of a market that, in general, is characterized by low barriers to entry. Thus, a particular rental housing property market with historically low vacancies could experience substantial new construction and a resultant oversupply of rental units within a relatively short period of time. Because rental housing properties are typically leased on a short-term basis, the tenants residing at a particular property may easily move to alternative properties with more desirable amenities or locations, or available for lower rent.

If any of such risk factors are heightened or the conditions associated with such risk factors deteriorate, the Fund's investments in such properties or in the owners and operators of such properties may incur losses.

Rental levels at the multifamily construction and development projects that we invest in can vary over time and we may not be able to maintain the occupancy rates we anticipate. We will make our determination regarding the acquisition of Real Estate Investments that we invest in based, among other things, on the property's projected rent levels. However, there can be no assurance that a particular Real Estate Investment will continue to be occupied at the projected rents. If the tenants of the properties

do not renew or extend their leases, if tenants default under their leases at the properties, if issues arise with respect to the permissibility of certain uses at the properties, if tenants of the properties terminate their leases, or if the terms of any renewal (including concessions to the tenants) are less favorable than existing lease terms, the operating results of the properties could be substantially affected.

Renters. Renters impose additional risks to owning real property. Renters do not have the same interest as an owner in maintaining a property and its contents and generally do not participate in any appreciation of the property. Accordingly, renters may damage a property and its contents, and may not be forthcoming in reporting damages or amenable to repairing them completely or at all. A rental property may need repairs and/or improvements after each resident vacates the premises, the costs of which may exceed any security deposit when the rental property was originally leased. Accordingly, the cost of maintaining rental properties can be higher than the cost of maintaining owner-occupied homes, which will affect the Fund's costs of operations.

Competition for Real Estate Investments. The market for attractive Real Estate Investment opportunities is highly competitive. Over the past several years, a large number of real estate funds have been formed, and many existing funds have grown in size. Additional funds with similar investment objectives may be formed in the future. The Fund, the General Partner and the Fund Advisor will encounter competition from numerous real estate investment companies and trusts, as well as from individuals and other investors engaged in real estate investment activities in similar markets as the Fund. There is no assurance that the General Partner will be able to identify and invest in suitable Real Estate Investments. Competition for investments may have the effect of increasing costs of investments, thereby reducing returns to the Fund and its Investors. The Fund's ability to compete depends on, among other things, the General Partner's ability to identify, analyze and secure investments at an attractive price that are within the investment strategy of the Fund, while eliminating, reducing or avoiding the risks associated therewith. Additionally, certain of the Fund's competitors may have greater financial and other resources or better recognition and access to suitable investment opportunities.

Lack of Sufficient Investment Opportunities. The business of identifying, acquiring and completing real estate and real estate-related transactions is highly competitive and involves a high degree of uncertainty. It is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, Limited Partners will be required to pay Asset Management Fees during the Investment Period based on the aggregate Capital Contributions made by the Partners and other expenses as set forth in the LP Agreement.

Risk of Absence of Exit Opportunity. Real Estate Investments are subject to the risk that the Fund will be unable to dispose of such Real Estate Investments by sale or other disposition at attractive prices or otherwise that the Fund will be unable to execute its desired "exit" strategy for a Real Estate Investment. Many factors that are beyond our control affect the real estate market and could affect our ability to sell Real Estate Investments for the price, on the terms or within the time frame that we desire. These factors include general economic conditions, the availability of financing, interest rates and other factors, including supply and demand. Because real estate investments are relatively illiquid, we have a limited ability to vary our portfolio in response to changes in economic or other conditions. Further, before we can sell a Real Estate Investment on the terms we want, it may be necessary to expend funds to correct defects or to make improvements. However, we can give no assurance that we will have the funds available to correct such defects or to make such improvements.

Investment Longer than Term. The Fund may make Real Estate Investments that may not be advantageously disposed of prior to the date that the Fund is scheduled to be dissolved, either by expiration of the Fund's term or otherwise. Although the General Partner expects the Fund's Real Estate Investments will be sold prior to such scheduled dissolution, the Fund may have to sell or otherwise dispose of Real Estate Investments at a disadvantageous time as a result of dissolution.

Investment Returns. There can be no assurance that any Limited Partner will receive distributions from the Fund that provide the targeted returns described in this Memorandum. Any return on investment to the Limited Partners will depend upon successful Real Estate Investments being made by the Fund. The marketability and value of any such Real Estate Investment will depend upon many factors beyond the control of the Fund and the General Partner.

Diligence Risk. Before the Fund makes an investment, the General Partner and/or the Fund Advisor or another affiliate will conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to the Real Estate Investment. The General Partner and the Fund Advisor may occasionally be required to complete investment analysis on an expedited basis to take advantage of an investment opportunity. In such cases, the information available to the General Partner and the Fund Advisor at the time of making an investment recommendation may be limited, and the General Partner and the Fund Advisor may not have access to all material information regarding the proposed Real Estate Investment. In addition, the General Partner and the Fund Advisor may rely upon independent consultants in its evaluation of a proposed investment, and no assurance can be given as to the accuracy or completeness of the information provided by such independent consultants. The involvement of such third parties may present a number of risks primarily relating to reduced control of the functions that are outsourced and may entail significant third-party expenses, which will be borne by the Fund. Due diligence investigations with respect to any Real Estate Investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such Real Estate Investment opportunity. Ultimately the correct and effective underwriting of the Fund's investments will depend on, among other things, the accuracy of information received, and assumptions made at each step of the investment process, including information obtained from such independent consultants and prospective sellers of real estate assets. A failure to correctly underwrite an investment could have material and adverse effects on the performance of such investment. Additionally, should the General Partner's or its affiliates' estimates of the cost of improving, repositioning or redeveloping an acquired Real Estate Investment prove too low, or estimates of the time to complete such work and achieve occupancy prove too optimistic, the profitability of the Real Estate Investment may be adversely affected.

In the event of fraud, any material misrepresentation or omission or any professional negligence by any seller of a Real Estate Investment or such seller's representatives, or by any other third-party, the Fund may suffer a material loss of capital and the value of the Fund's Real Estate Investments may be adversely impacted. The Fund will rely upon the accuracy and completeness of representations made by various persons in the due diligence process and cannot guarantee such accuracy or completeness.

Risks Related to Real Estate Joint Ventures. Subject to the restrictions set forth in the LP Agreement, the Fund may make a co-investment in a subsidiary joint venture with a property owner or other party. Investments made in such joint ventures may involve additional risks that are not present in wholly-owned investments, including, without limitation, the possibility that the joint venture partner will be unable to perform its obligations (in part or at all), become insolvent or suffer financial difficulty, take actions contrary to the terms of the joint venture or the Fund's investment directions or have goals that are inconsistent with those of the Fund. In addition, our joint venture partner may have business goals

that are inconsistent with ours which may result in the venture or investment being unable to implement certain decisions that we consider beneficial, or our partner may withhold consent contrary to our instructions or requests.

Third Party Co-Investment; Reliance on Third-Party Joint Venture Partners and Managers. The Fund is permitted to co-invest through partnerships, joint ventures or other entities with one or more third parties as a co-venturer or partner, including with the seller (or an affiliate thereof) of the property, a person involved in the selling or acquisition of the property, an investor in the Fund (or other entity controlled by the LIV Entities or their affiliates) or other third parties. Such investments have the potential to involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Fund and such co-venturer may reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of the Fund may at any time have economic or business interests or goals that are inconsistent with those of the Fund; (iii) the co-venturer or partner may encounter liquidity or insolvency issues or may become bankrupt; (iv) the co-venturer or partner may be in a position to take action contrary to the Fund's investment objective; (v) the co-venturer or partner may take actions that subject the property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Fund may be liable for actions of its co-venturers or partners. The co-venturer or partner may be a joint venture partner or interest holder in another joint venture or other entity in which the LIV Entities or their affiliates has an interest or otherwise controls. The co-venturer or partner may also be entitled to receive payments from, or allocations or performance-based compensation (e.g., carried interest) in respect of, the Fund as well as such investments, and in such circumstances, the General Partner reserves the right to treat any such amounts as a Fund expense and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by the Fund, be deemed paid to or received by the General Partner or reduce the Asset Management Fee. Moreover, the General Partner or the Fund Advisor reserve the right to receive fees associated with capital invested by a co-venturer or partner relating to investments in which the Fund participates. This may be in connection with a joint venture in which the Fund participates or other similar arrangements with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which the General Partner or the Fund Advisor performs services. In addition, the Fund is permitted to co-invest with non-affiliated co-investors or partners whose ability to influence the affairs of the companies in which the Fund invests may be significant, and even greater than that of the Fund and as such, the Fund may be required to rely upon the abilities and management expertise of such co-venturer or partner. It may also be more difficult for the Fund to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments (and any such investment may be subject to a buy-sell right). The Fund is permitted to grant co-venturers or partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment or require the Fund to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale of such investment or require alternative dispute resolution in order to resolve such deadlock. As a result of these risks, the Fund may be unable to fully realize its expected return on any such investment. Further, to the extent that the Fund offers any co-investment opportunity to any Limited Partners or third parties, some or all of the risks described above have the potential to also apply to such co-investments.

Further, the Fund will likely rely on third parties (some of which may also become co-investment partners with the Fund) to act as developers or joint venture partners in connection with the acquisition, development, construction, renovation or operation of its properties. This reliance on third-party developers or joint venture partners may increase the costs to the Fund through the payment of

development fees, incentive fees, management fees and other amounts and may increase the risks to the Fund if, and to the extent, such a developer or operator fails or is unable to comply with agreed upon plans, budgets or timetables. Although the General Partner intends to monitor the performance of each investment, after stabilization it will primarily be the responsibility of third-party property managers to manage certain properties on a day-to-day basis. The Fund's results of operations, including its ability to make payments on any indebtedness, will depend in large part on the ability of these third-party managers to operate and lease such properties on economically favorable terms. There can be no assurance that such third-party management firms will be able to operate each investment successfully. Property managers may provide management and leasing services to properties owned by others that compete with one or more of the Fund's Real Estate Investments. As a result, these property managers may at times face potential conflicts of interests in the management and leasing of the Fund's investments and properties owned by third parties. Property managers may receive a base management fee based upon gross revenues. Such fee arrangements with a property manager may create a potential incentive for the relevant investment to be managed in a manner that is not consistent with the Fund's objectives.

Services. In certain circumstances, the General Partner and/or its affiliates reserve the right to provide any or all of the services (including, accounting, legal, administration and other services for the Fund and property management services with respect to the Fund's investments) that the General Partner determines would otherwise be performed for the Fund or its investments by third parties on terms that are determined by the General Partner to be fair and reasonable to the Fund. In such events, such Persons will earn fees or otherwise be reimbursed for performing such services as the General Partner, in its sole discretion, determines is allocable to such services. As a result, the General Partner may be subject to a potential conflict of interest in determining the costs of such services that will be charged to the Fund. In addition, such use or retention may create an incentive for the General Partner to favor its affiliates over more qualified service providers.

Uninsured Losses. The General Partner will attempt to maintain insurance coverage against liability to third parties and property damage as is customary for similar situated properties. However, there can be no assurance that insurance will be available or sufficient to cover any such risks. Insurance against certain risks, such as floods, earthquakes or acts of terrorism, may be unavailable, available in amounts less than the full market value or replacement cost of investments or underlying assets or subject to large premiums or deductibles. In addition, there can be no assurance that the particular risks that are currently insurable will continue to be insurable on an economically feasible basis. The cost of uninsured losses may adversely affect the Fund's investment performance.

Government Regulations; Changes in Laws. The real estate industry is extensively regulated and subject to frequent regulatory change. Local, state and federal laws, rules, regulations, ordinances and requirements (including, without limitation, tax, insurance, banking, labor, health and safety, zoning, platting, subdivision, land use, fair housing, permitting and others laws and regulations that are applicable to or an investment in the Fund or a particular Real Estate Investment), or the interpretation or enforcement thereof, could change resulting in a material adverse effect on a Real Estate Investment, the Fund, the Investors' investment therein and the Fund's overall performance. As way of example, if a Real Estate Investment is found to be in violation of the Americans with Disabilities Act of 1990 or similar federal, state or local laws and regulations relating to public accommodations (collectively, the "ADA"), then the Fund may be required to incur costs to bring the Real Estate Investment into compliance, which may or may not have been foreseen at the time of acquisition and built into the renovation budget. Future changes to the ADA may also require modifications to the Fund's Real Estate Investments or restrict the ability of the Fund to rehabilitate and reposition a property as expected.

Potential Adverse Changes in Economic, Political, Regulatory and Market Conditions. The Fund's strategy relies, in part, upon favorable market conditions existing to ensure that Real Estate Investments will be available at prices that the General Partner and the Fund Advisor consider favorable and that favorable conditions will exist when the General Partner determines to exit a Real Estate Investment. Global, national, regional and/or local economic and market conditions may decrease the demand for real estate or, particularly, multifamily properties, which could impact the Fund's ability to, among other things, make and dispose of Real Estate Investments on favorable terms or at favorable times, access credit markets on favorable terms (or at all) and attract investors in the Fund. Additionally, the business, economic, political, regulatory, and technology environment within which the Fund operates may undergo substantial changes, some of which may be adverse to the Fund. Adverse changes in unemployment or inflation, local recessions, market volatility and other economic events could have a material adverse effect on a Real Estate Investment or the Fund. There can be no assurance as to the future direction of market and economic conditions.

The General Partner will have the exclusive right and authority (within limitations set forth in the LP Agreement) to determine the manner in which the Fund shall respond to such economic, regulatory and market changes, and Limited Partners generally will have no right to withdraw from the Fund or demand specific modifications to the Fund's operations. Within the limitations set forth in the LP Agreement, the General Partner will have the right and authority to determine the Fund's investment sourcing, selection, management and liquidation strategies and procedures. Changes in economic conditions could negatively impact the Fund's ability to carry out its business or cause it, and its Limited Partners, to incur losses.

Changes in applicable tax laws could occur during the term of the Fund that may adversely affect the Fund or the Limited Partners. The effect of any future tax changes on the Fund or its Limited Partners could be substantial and adverse.

Environmental Liabilities. The Fund may incur environmental liabilities in connection with its Real Estate Investments and such liabilities could diminish the value and returns of such Real Estate Investments. While the General Partner and the Fund Advisor intends to exercise prudent due diligence to attempt to discover any potential environmental liabilities prior to the acquisition of a Real Estate Investment, hazardous substances or wastes, contaminants, pollutants or sources thereof (as determined by applicable environmental laws) may be discovered on a property following acquisition by the Fund. Changes in environmental laws or in the environmental condition of a Real Estate Investment may result in liabilities that did not exist at the time the Real Estate Investment was acquired and that could not have been reasonably foreseen. Under various federal, state and local laws, ordinances and regulations, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such enactments often impose such liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of such substances, or the failure to properly remediate such substances, may adversely affect the owner's ability to sell such property or to borrow using such property as collateral. There can be no assurance that the Fund will not incur recourse liability for the entire cost of any removal or clean-up of such substances, which cost could exceed the value of a Real Estate Investment and may not be recoverable by the Fund from a third party. As the owner of a Real Estate Investment, the Fund could also be liable to another owner, a tenant or a user of neighboring properties. In addition, the Fund could find it difficult or impossible to sell or otherwise divest a property prior to or after such clean-up work.

Climate Change. The Fund may incur costs related to climate change. To the extent that significant changes in the climate occur in areas where our Real Estate Investments are located, we may experience extreme weather and changes in precipitation and temperature, all of which may result in physical damage to or a decrease in demand for properties located in these areas or affected by these conditions. In addition, changes in federal, state and local regulations based on concerns about climate change could result in increased capital expenditures or operating expenses on our new development properties (for example, to improve energy efficiency, reduce greenhouse gas emissions and/or improve resistance to inclement weather) without a corresponding increase in revenue, resulting in adverse impacts to our net income.

Litigation & Regulatory Investigations. In the ordinary course of business and the operation of the Real Estate Investments, the Fund and/or the subsidiaries may be subject to litigation or regulatory investigations from time to time. The outcome of such proceedings may adversely affect the value of the Fund or a Real Estate Investment acquired and/or developed thereby. Any litigation could consume substantial amounts of time and attention from the General Partner and/or its team, and that spent time and devotion of resources may, at times, be disproportionate to the amount at stake in the litigation. Additionally, in the event that the General Partner is required to respond to any legal or regulatory investigation or proceeding, the Fund will bear the cost of any legal fees and expenses that are incurred by the General Partner, which may be substantial.

Fund Risks

Dependence on Principals. The Fund will be substantially dependent on the abilities and services of the Principals, including their ability to identify, acquire, operate and ultimately sell at the appropriate times suitable Real Estate Investments. In the event of a Principal's death, disability, departure, insolvency or the complete transfer of his interest in the General Partner and/or the Fund Advisor, the Fund may be adversely affected. There can be no assurance, if the services of one or more of the Principals were unavailable to the Fund, that the Fund would be able to employ a qualified substitute(s) on terms suitable to the General Partner. Moreover, there can be no assurance that the Principals' abilities, effort, and prior success will continue for the life of the Fund. In addition, the Principals will continue to devote a portion of their time to other business and investment activities of the LIV Entities and their affiliates. Conflicts may arise in the allocation of these Principals' time among the Fund and any other such obligations. There can be no assurance that these Principals will continue to be associated with the General Partner and the Fund Advisor throughout the life of the Fund.

Prior Investment Performance Not Indicative of Future Results. The performance of prior investments made by the LIV Entities and its respective principals and affiliates (collectively, the "LIV Entities Team") cannot be relied upon as an indication of the Fund's or the Real Estate Investments' future performance or success. While the General Partner intends to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance that returns generated by prior investments will be achieved by the Fund. The information provided by and about the LIV Entities Team in this Memorandum or otherwise in connection with the Investors' purchase of LP Units is solely intended to illustrate the experience of the LIV Entities Team and the type of transactions the General Partner and the Fund Advisor intends to pursue on behalf of the Fund.

Compensation of the General Partner. The General Partner, the Fund Advisor and/or their affiliates will receive compensation from the Fund in the forms of the Asset Management Fee, the Carried Interest Distributions, Development Fees, Acquisition Fees, Construction Services Fees, design services

fees, and the other fees described in this Memorandum. The Fund Advisor and/or an affiliate thereof will also be reimbursed for its costs and expenses in closing and/or managing the Real Estate Investments. Although the General Partner believes that the foregoing arrangements are reasonable and competitive with similar services provided by other real estate investment companies, such arrangements were not the result of arm's-length negotiations. Also, because the Carried Interest Distributions will be based on the amount and timing of distributions made to the Limited Partners (which will in turn depend upon the performance of the Fund and its Real Estate Investments), the Carried Interest Distributions may have the effect of encouraging the General Partner to identify particularly risky Real Estate Investments for the Fund. In addition, due to the method of calculating the Carried Interest Distributions, the Carried Interest Distributions may be affected by the timing of Real Estate Investment dispositions and other factors within the control of the General Partner.

Indemnification. The LP Agreement provides that, subject to certain limited exceptions, the Indemnified Parties shall be indemnified against and shall not be liable for certain losses incurred in connection with the affairs of the Fund. Therefore, a Limited Partner may have a more limited right of action against any such parties than a Limited Partner would have absent these provisions in the LP Agreement. Such liabilities may be material and have an adverse effect on the returns to the Limited Partners. The assets of the Fund will be available to satisfy these indemnification obligations and Limited Partners may, subject to certain terms and conditions set forth in the LP Agreement, be required to return distributions to satisfy such obligations. Such obligations will survive the dissolution of the Fund and may diminish the investment returns of the Fund.

Dilutions from Subsequent Closings. Each Additional Limited Partner acquiring LP Units at a Subsequent Closing will participate in existing Fund Real Estate Investments, diluting the interests of existing Limited Partners therein. Although each such Additional Limited Partner will contribute its pro rata share of previous Capital Contributions (plus the Adjustment Amount thereon as described in Section 2.6 of the LP Agreement), there can be no assurance that this payment will reflect the fair value of the Fund's existing Real Estate Investments at the time such Additional Limited Partner is admitted to the Fund.

Failure of Limited Partners to Fulfill Their Commitment Obligations. If a Limited Partner fails to pay installments of its Capital Contribution Commitment and the payments made by non-defaulting Limited Partners and borrowings by the Fund and/or a subsidiary are inadequate to cover the defaulted amounts, the Fund may be unable to pay its obligations. As a result, the Fund's ability to complete its Investment Program or otherwise to continue operations may be substantially impaired and thus materially adversely affect the returns to the Limited Partners (including non-defaulting Limited Partners). In the event that a Limited Partner defaults, such Limited Partner may be subject to various penalties, including forfeiture or forced sale of a portion of its LP Units. The LP Agreement details the consequences to a Limited Partner of a failure to satisfy its obligations to fund Capital Contributions as and when due.

Potential Conflicts of Interest of the General Partner. In addition to its duties to the Fund, the General Partner, the Fund Advisor, and their affiliates may engage in investment for their own accounts and/or for the accounts of third parties and affiliates. Neither the General Partner nor its affiliates are obligated to devote any specific amount of time to the affairs of the Fund. Additionally, each of the LIV Entities and their respective affiliates currently own, manage and/or are developing properties that are similar to, and potentially could compete with, Real Estate Investments acquired by the Fund.

Limited Transferability of LP Units. An investment in the Fund should be considered a long-term investment. Transfers of LP Units are subject to significant restrictions. LP Units in the Fund may only be transferred with the consent of the General Partner, which consent may be withheld for any reason. Even if a Limited Partner is given consent to transfer its LP Units, there will be no public market for the LP Units. The LP Units will not be registered under the Securities Act by reason of specific exemptions under the provisions of that Act, which depend, in part, upon the agreement of the purchasers not to transfer their LP Units except under certain circumstances. The LP Units will also not be registered under applicable state securities laws, including state blue sky laws. Sales or other transfers of the LP Units may be made only in compliance with the Securities Act, applicable state securities laws and certain limitations set forth in the LP Agreement. The LP Units will be “restricted securities” within the meaning of Rule 144 under the Securities Act; however, the Fund will not make information available of such scope and content that the public sale provisions of Rule 144 would be available. Additionally, voluntary withdrawal of a Limited Partner of the Fund is not allowed. Limited Partners will not be entitled to redeem their LP Units. Also, the LP Units will not be readily acceptable as collateral for loans. Because of these restrictions and the absence of a public market for the LP Units, a Limited Partner may be unable to liquidate its investment in a timely manner even though such Limited Partner’s personal financial circumstances would make liquidation advisable or desirable. Investors should be aware that they will be required to bear the risks of their investment for an indefinite period of time.

Investment Company Act Application. An entity will generally be deemed to be an “investment company” for purposes of the Investment Company Act if: (i) it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or (ii) absent an applicable exemption, it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities, cash items, and securities issued by majority-owned subsidiaries meeting certain criteria) on an unconsolidated basis (the “40% Test”).

We believe that our exemptions from the registration requirements of an investment company under the Investment Company Act are threefold:

First, the Fund does not meet the asset test component of the definition of “investment company” under the Investment Company Act as summarized above;

Second, our wholly-owned subsidiaries will qualify under the exemption afforded by Section 3(c)(5)(C) of the Investment Company Act; and

Third, our majority-owned subsidiaries will qualify under the exemption afforded by Section 3(c)(6) of the Investment Company Act. See “Investment Company Considerations”.

We will be engaged primarily in the business of investing in real estate and real estate-related assets and not primarily in the business of investing, reinvesting or trading in securities. We will hold ourselves out as a real estate investment firm and do not propose to engage primarily in the business of investing, reinvesting or trading in securities. Accordingly, we do not believe that following this Offering we will be required to register as an investment company for purposes of the Investment Company Act. Furthermore, following this Offering, we will have no material assets other than interests in certain wholly-owned and majority-owned subsidiaries (within the meaning of the Investment Company Act). We do not believe that, based on current rules and interpretations, the equity interests in our wholly-owned

subsidiaries or the equity interests in our majority-owned subsidiaries qualify as investment securities under the Investment Company Act.

The Investment Company Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options and impose certain governance requirements. We intend to conduct our operations so that we will not be deemed to be an investment company under the Investment Company Act. If anything were to happen that would cause us to be deemed to be an investment company under the Investment Company Act, requirements imposed by the Investment Company Act, including limitations on capital structure, the ability to transact business with affiliates and the ability to compensate senior employees, could make it impractical for us to continue our businesses as currently conducted, impair the agreements and arrangements between and among us, our subsidiaries and our senior management, or any combination thereof, and have a material adverse effect on our businesses, financial condition and results of operations. In addition, we may be required to limit the amount of investments that we make as a principal or otherwise conduct our businesses in a manner that does not subject us to the registration and other requirements of the Investment Company Act.

No Participation in Management. Limited Partners have no right to participate in the management of the Fund or to otherwise participate in making decisions that may materially affect the value of their investments.

Liability for Repayment of Certain Distributions. The Limited Partners may be compelled to return distributions to the Fund under certain circumstances described in the LP Agreement. Additionally, Delaware law requires Limited Partners of a limited partnership to return its distributions under certain circumstances, such as when the distribution is made at a time when the limited partnership is insolvent (or the distribution makes the limited partnership insolvent) and the Limited Partner knew that the limited partnership was insolvent or knew that the distribution cause the limited partnership to become insolvent. In addition, Limited Partners could be liable under applicable federal or state bankruptcy or insolvency laws to return a distribution made if the Fund were insolvent at the time of such distribution.

Amendments of LP Agreement without Consent of All Limited Partners. Amendments to the LP Agreement that materially and adversely affect the economic interests of the Limited Partners, as a class, may be made with the consent of the General Partner and Limited Partners holding at least 75% of the outstanding LP Units regardless of any material adverse effect of such amendment on a dissenting Limited Partner, and any such amendment will affect each Limited Partner proportionately as a class. Notwithstanding the foregoing sentence, no increase in the amount required to be contributed to the Fund by the Limited Partners, other than as required by the LP Agreement or under applicable law, may be made without the consent of all Limited Partners. Thus, if Limited Partners holding at least 75% of outstanding LP Units consent to any such amendment, a Limited Partner could have its economic interests, including its interest in cash distributions and allocations of profit and loss, adversely affected without its consent. See [Exhibit A](#) – LP Agreement.

Side Letter Agreements. The General Partner has the discretionary authority to agree in advance or from time to time to make exceptions to requirements that apply to certain Limited Partners for personal or business reasons without the approval of other Limited Partners of the Fund. The terms of any such side letter or similar agreement will not be disclosed to other Limited Partners unless the General Partner, in its sole discretion, otherwise determines.

No Independent Counsel. Dentons Sirote PC (“Dentons”) has acted as legal counsel for the General Partner, the Fund Advisor, and LIV Development, LLC and their respective affiliates (collectively, the “GP Parties”), has not and will not serve as counsel for or represent the interests of the Limited Partners, and disclaims any fiduciary or attorney-client relationship with the Limited Partners. The Limited Partners have not been represented by separate counsel and the Fund will not have separate counsel as regarding any matter subject to a conflict of interest between the Fund and the GP Parties. Prospective investors and Limited Partners should obtain the advice of their own counsel regarding all legal matters.

Investment Advisers Act. None of the General Partner, the Fund Advisor or any of their respective affiliates intend to register as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the “Investment Advisers Act”). The Limited Partners will not be afforded the protections provided to clients of registered investment advisers under the Investment Advisers Act.

Forward-Looking Statements. This Memorandum includes “forward-looking statements” within the meaning of the Securities Act, including statements about the plans and strategies of the General Partner, the Fund Advisor, and the LIV Entities Team about the prospects of the Fund. Although the General Partner believes that the plans, strategies, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, the General Partner can give no assurance of their accuracy. All forward-looking statements attributable to the General Partner, the Fund Advisor, or the LIV Entities Team, or persons acting on their behalf, are expressly qualified in their entirety by the additional cautionary statements contained in this section. Reliance should not be placed on such forward-looking statements. Forward-looking statements are not guarantees of performance.

Cyber Security Breaches and Identity Theft. The information and technology systems of the General Partner, the Fund Advisor, and their affiliates may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Breaches of these systems could involve attacks that are intended to obtain unauthorized access to confidential or proprietary information, destroy data or disable, degrade or sabotage these systems. Although the General Partner and the Fund intend to take various measures to ensure the integrity of these systems and manage these risks, there can be no assurance that these measures will always provide sufficient protection. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, the General Partner, the Fund Advisor, the Fund, and/or a subsidiary may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the General Partner’s, the Fund Advisor’s, the Fund’s, or a subsidiary’s operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Investors (and the beneficial owners of Investors). Such a failure could harm the General Partner’s, the Fund’s, or a subsidiary’s reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance. The Fund, the General Partner, and the Fund Advisor could also be significantly affected if the information and technology systems of third parties with which they conduct business are subject to similar failures, interruptions or breaches. In addition, insurance and other safeguards (including third party recoveries) may only partially reimburse the Fund and the General Partner for any resulting losses, if at all.

Income Taxes of Partners May Exceed Cash Distributions. The General Partner intends that the Fund be treated as a partnership for U.S. federal income tax purposes. Limited Partners will be required

to report their share of the Fund's income, losses, deductions and credits (which may include the income and other tax items of any partnerships, limited liability companies or other flow-through entities in which the Fund invests, such as the subsidiaries and joint ventures) on their U.S. federal and state tax returns. For U.S. federal income tax purposes, any taxable income held by the Fund and any gain of the Fund generally will be allocated among the Limited Partners in accordance with their respective interests in the Fund, regardless of whether corresponding distributions are made to the Limited Partners. Even if the Fund has income or gains for U.S. federal income tax purposes, the Fund will not be obliged to make distributions (or may lack sufficient cash available for distributions) to enable the Limited Partners to pay their U.S. federal, state and local and non-U.S. taxes as a result of such income or gain allocations. In such event, the Limited Partners will have to utilize other resources to satisfy tax liabilities. The General Partner's investment decisions are based primarily upon economic (not tax) considerations and could result, from time to time, in adverse tax consequences to some or all Limited Partners. Furthermore, the ability of Limited Partners to deduct their share of Fund expenses and losses, including capital losses, is subject to various limitations. Thus, the income tax effects of the Fund's transactions to the Limited Partner may differ from the economic consequences thereof. See, generally, "Certain Tax Considerations."

U.S. Federal Income Tax Liability Resulting from IRS Audits. Information returns filed annually by the Fund may be audited by the Internal Revenue Service (the "IRS") or other taxing authorities. An audit may result in an audit of or adjustments to a Limited Partner's tax return and could involve additional expenses for such Limited Partner. Unless a partnership qualifies for and affirmatively elects an alternative procedure, any adjustments to the amount of tax due (including interest and penalties) generally will be payable by the partnership. Under the alternative procedure, if elected, a partnership would issue information returns to persons who were partners in the audited year, who would then be required to take the adjustments into account in calculating their own tax liability. There can be no assurance that the Fund will be eligible to, or will decide to, make such an election for any given adjustment. If the Fund does not (or cannot) make such an election, then a Partner may indirectly bear taxes attributable to income allocable to other Partners or former Partners, including taxes (as well as interest and penalties) with respect to periods prior to such Partner's ownership of interests in the Fund.

The "partnership representative" of the Fund will have authority to act on behalf of the Fund with respect to audits and certain other tax matters and may decide not to elect (or may be unable to elect) the alternative procedure for any particular adjustment. In addition, the Fund and each Partner will be the principals to cause the Fund to hold investments for a longer period than would be the case if such three-year holding period requirement did not exist.

Certain State and Local Tax Considerations. Investors should consider the state and local tax consequences of an investment in the Fund. Investors (including tax-exempt investors) may become subject to state and local income or franchise taxes in the jurisdictions in which the Fund or a subsidiary acquires real estate or otherwise is considered to be engaged in a trade or business and may be required to file appropriate state tax returns. Moreover, although not subject to U.S. federal income tax, the Fund may, by reason of ownership of real estate or otherwise engaging in a trade or business, become subject to state or local income or similar taxes imposed on partnerships themselves or may be required to withhold state taxes on income allocable to investors not residing in such state. As a result, all Partners may become subject to state and local income or franchise taxes in jurisdictions where the Fund acquires real estate or otherwise conducts activities or is deemed to be engaged in business.

Delayed Tax Reporting. Investors will likely have to extend the filing of their tax returns because they may not receive reports and other information from the Fund in advance of the date on which their tax returns are otherwise due.

Taxation of the Fund. Under current law, the General Partner expects that the Fund should be classified as a partnership and not as an association taxable as a corporation for U.S. federal income tax purposes. The General Partner intends to structure the Fund's investments in a manner that is intended to achieve the Fund's investment objectives. However, there can be no assurance that the structure of any investment will be tax efficient for any particular Partner or that any particular tax result will be achieved. In addition, tax reporting requirements may be imposed on Partners under the laws of the jurisdictions in which Partners are liable for taxation or in which the Fund makes portfolio investments. The tax aspects of the Fund are complex. Prospective investors should consult their professional advisors with respect to the tax consequences to them of an investment in the Fund under the laws of jurisdictions in which they may be liable for taxation.

UBTI. An investment in the Fund involves complex U.S. federal, state, and local and non-U.S. income tax considerations that will differ for each Partner. A portion of a tax-exempt U.S. Partner's allocable share of income from a Fund investment entity may constitute "unrelated business taxable income" ("UBTI") as defined in Section 512 of the Code, in the hands of such Partner.

Changes in U.S. Federal Income Tax Law. In 2021 and 2022, the Biden administration and the U.S. Congress proposed significant changes to U.S. federal income tax laws. There is uncertainty regarding whether these proposals will be enacted and, if enacted, their scope and effective date, including whether they would have retroactive effect. The full implications of this recently proposed legislation for the Fund and the Limited Partners are not yet clear. Accordingly, there can be no assurance that such legislation or subsequent legislation, regulations, and interpretations thereof will not have an adverse effect on the Fund's investment performance or any Limited Partner's after-tax returns from the Fund.

All statements contained in this Memorandum concerning the U.S. federal income tax (or other tax) consequences of an investment in the Fund are based on existing law and interpretations thereof. No assurance can be given that the currently anticipated tax treatment of an investment in the Fund, or of investments made by the Fund, will not be modified by legislative, judicial, or administrative changes, possibly with retroactive effect, to the detriment of the Fund or some or all of the Limited Partners. Any possible future U.S. tax legislation and administrative guidance could materially affect the tax consequences of a Limited Partner's investment in the Fund and the tax treatment of the Fund's investments.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Fund's activities, including the ability of the Fund to effectively and timely address such regulations, execute its investment strategy or achieve its investment objectives.

The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to prior downturns in the U.S. and global financial markets, may complicate or prevent the Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders

outside of the alternative asset space. As a result, the Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

BECAUSE THE TAX ASPECTS OF THE OFFERING ARE COMPLICATED AND CERTAIN OF THE TAX CONSEQUENCES MAY DIFFER MARKEDLY FOR DIFFERENT LIMITED PARTNERS, PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN EVALUATING THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES OF AN INVESTMENT IN THE FUND.

THE FOREGOING LIST OF RISK FACTORS IS NOT A COMPLETE LIST OR EXPLANATION OF THE RISKS INVOLVED IN THE PURCHASE OF LP UNITS IN THE FUND. THE GENERAL PARTNER INSTRUCTS POTENTIAL FUND INVESTORS TO READ ALL FUND OFFERING DOCUMENTS, THE LP AGREEMENT AND ALL DOCUMENTS REFERENCED THEREIN AND TO CONSULT WITH THEIR OWN LEGAL, TAX AND INVESTMENT ADVISORS BEFORE DECIDING WHETHER OR NOT TO INVEST AND PURCHASE LP UNITS IN THE FUND.

CONFLICTS OF INTEREST

Prospective investors should be aware that there are, and will continue to be, occasions when the General Partner and its affiliates encounter potential conflicts of interest in connection with the Fund's activities, either directly or indirectly through subsidiaries and joint ventures. The following discussion describes certain actual and potential conflicts of interest and other considerations that should be evaluated carefully before making an investment in the Fund. By acquiring an interest in the Fund, each Limited Partner will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any claim with respect to the existence of any such conflict of interest. Prospective investors should carefully consider the following conflicts of interests along with the other risks described in this Memorandum:

Conflicts of Interest

Compensation of the General Partner and Affiliates. The General Partner and certain of its affiliates (including the Fund Advisor) will be paid the fees described in this Memorandum, including, without limitation, the Asset Management Fee, Development Fees, Acquisition Fees, Construction Services Fees, design services fees, and other fees. The terms of these fees were determined without the benefit of arm's-length negotiations of the type normally conducted between unrelated parties, may be in excess of amounts that the Fund would otherwise pay to third parties for such services, and may reduce the amount of cash that would otherwise be available for investments in Real Estate Investments, development, and distributions.

Carried Interest Distributions. Because the Carried Interest Distributions will be based on the amount and timing of distributions made to the Fund (which will in turn depend upon the performance of the Real Estate Investments), the Carried Interest Distributions may have the effect of encouraging the affiliates of the General Partner to identify particularly risky investments for the Fund. In addition, due to the method of calculating the Carried Interest Distributions, the Carried Interest Distributions may be affected by the timing of Real Estate Investment dispositions and other factors within the control of the General Partner's affiliate. Because certain of the fees will be based on the size of transactions (including the amount of acquisition and/or construction costs), such fees may have the effect of encouraging the General Partner's affiliate to identify bigger transactions or take more risks for the Fund.

Reimbursement of Transaction Expenses. The General Partner and/or its affiliates will be entitled to reimbursement for pursuit and transaction expenses incurred by them in connection with each Real Estate Investment (other than Dead Deal Costs).

Effect of Fees and Expenses on Returns. The Fund will pay the Asset Management Fee, and the Fund's subsidiaries will pay the other fees described above and bear all expenses related to their operations. Such fees and expenses will reduce the actual returns to the Limited Partners. Most of the fees and expenses will be paid regardless of whether the Fund produces positive investment returns. If the Fund does not produce significant positive investment returns, these fees and expenses will reduce the amount of the investment subject to recovery by a Limited Partner to an amount less than the amount invested in the Fund by such Limited Partner.

Other Business Activities. The LIV Entities and their respective affiliates, members, officers and employees currently engage in other business and investment activities unrelated to the Fund. The other activities of the LIV Entities and their respective affiliates may create conflicts of interest with the Fund with respect to the time they devote to managing the Fund. The LIV Entities and their respective affiliates will not devote their business energies to the Fund on a full-time basis. Furthermore, neither the Fund Advisor nor the General Partner are restricted from forming and/or managing any investment vehicle, including those competitive with the Fund. The LIV Entities and any affiliate thereof may engage in or possess an interest in other business ventures of any nature or description, independently, or with others, and neither the Fund nor any Partner shall have any rights in or to such independent venture or ventures, or the income or profits derived therefrom. Engaging in such ventures or interests will not in any regard be construed as a violation or breach of fiduciary duty by the General Partner or its affiliates. The General Partner believes that the significant investment of the Principals in the Fund, as well as the Principals' interest in the Carried Interest Distributions, operate to align, to some extent, the interest of the Principals and LIV Entities with the interests of the Limited Partners, although the Principals have or may have economic interests in such other investment funds and investments as well and receive management fees and carried interests relating to these interests.

GP Investment in the Fund. In connection with the GP Capital Commitment, the General Partner will purchase LP Units and be treated as a Limited Partner based on its ownership of such LP Units and, as such, will participate on a pro rata basis with other Limited Partners in the profits and distributions of the Fund.

No Independent Counsel. Dentons has acted as legal counsel for the GP Parties and has not and will not serve as counsel for or represent the interests of the Limited Partners, and Dentons disclaims any fiduciary or attorney-client relationship with the Limited Partners. The Limited Partners have not been represented by separate counsel and the Fund will not have separate counsel as regarding any matter subject to a conflict of interest between the Fund and the GP Parties. Prospective investors and Limited Partners should obtain the advice of their own counsel regarding all legal matters.

Co-Investment Opportunities. In accordance with the terms of the LP Agreement, the General Partner is authorized, in its sole discretion, to provide or commit to provide co-investment opportunities to one or more Limited Partners and/or other persons, in each case on terms to be determined by the General Partner in its sole discretion. Potential conflicts of interest are expected to arise in the allocation such co-investment opportunities. The allocation of co-investment opportunities, which can be made to one or more persons for any number of reasons as determined by the General Partner in its sole discretion, may not be in the best interests of the Fund or any individual Limited Partner. In exercising its

sole discretion in connection with such co-investment opportunities, the General Partner is authorized to consider some or all of a wide range of factors, including, but not limited to, the likelihood that an investor will invest in a future fund sponsored by the General Partner or its affiliates. The Fund is authorized to co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments will involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of the Fund, or may be in a position to take action contrary to the investment objectives of the Fund. In addition, the Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner.

Generally, co-investors will invest in a transaction directly alongside the Fund. On occasion, the Fund, in order to consummate a transaction, ensure the Fund is afforded an investment opportunity or otherwise, may fund on behalf of certain co-investors and sell down a portion of the investment to such co-investors at a later time. The Fund may or may not receive compensation for such activities. In the event that the co-investors breach their covenant to purchase the investment from the Fund, the Fund may have an allocation to an investment that is larger than originally anticipated.

Co-investors will typically bear their pro rata share of fees, costs and expenses related to the discovery, investigation, development, acquisition or consummation, ownership, maintenance, monitoring, hedging and disposition of their co-investments and may be required to pay their pro rata share of fees, costs and expenses related to potential investments that are not consummated, such as broken deal expenses. The General Partner endeavors to allocate such fees, costs and expenses on a fair and equitable basis. Notwithstanding the foregoing, co-investors may not agree to pay or otherwise bear fees, costs and expenses related to unconsummated co-investments. In addition, in certain circumstances, potential co-investors may not bear such fees, costs and expenses because they have not yet been identified (or their anticipated allocation has not yet been identified) as of the time such potential investment ceases to be pursued or are not yet committed to such potential investment. In those events, such fees, costs and expenses will be considered operating expenses of, and be borne by, the Fund; provided that, in all instances, a LIV Entity or an affiliate thereof, in its capacity as a co-investor or a prospective co-investor intends to bear its pro rata share of such fees, costs and expenses based on the amount it has committed to co-invest as of the time a binding offer is made by the Fund in a manner consistent with the General Partner's then current internal guidelines.

In addition, in order to potentially make available or otherwise facilitate its Investments, the Fund may use a credit facility to consummate, or guarantee or issue letters of credit to support, the portion of the investment made (or to be made) by co-investors. The General Partner may charge asset management fees and carried interest with respect to any such co-investments.

Diversity of Tax Objectives. To the extent that certain decisions or transactions involve tax considerations, the interests of the General Partner may be inconsistent with those of the Limited Partners (e.g., the timing of transactions). In addition, situations may arise in which the General Partner may be required to act on behalf of the Fund in administrative and judicial proceedings involving the IRS or other enforcement authorities. Such proceedings may involve or affect other entities for which the General Partner or an affiliate acts as a manager. In such situations, the positions taken by the General Partner may have differing effects on the Fund and other such companies

Diverse Limited Partner Group. The Limited Partners may include taxable and tax-exempt entities and persons or entities resident of or organized in various legal jurisdictions. As a result, conflicts of

interest may arise in connection with decisions made by the General Partner that may be more beneficial for one type of Limited Partner. In making such decisions, the General Partner intends to consider the investment objectives of the Fund as a whole, not the investment objectives of any Limited Partner individually.

THE FOREGOING DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS AND CONFLICTS INVOLVED IN THIS OFFERING OR AN INVESTMENT IN THE FUND, ESPECIALLY SINCE THE FUND HAS THE FLEXIBILITY TO ENGAGE IN A WIDE RANGE OF INVESTMENT STRATEGIES WITH RESPECT TO INVESTMENTS, AND THE FULL RANGE OF STRATEGIES, ASSETS AND MARKETS IN WHICH THE FUND MAY INVEST CANNOT BE SPECIFIED IN ADVANCE. POTENTIAL INVESTORS SHOULD READ THIS MEMORANDUM, THE SUBSCRIPTION AGREEMENT AND THE LP AGREEMENT IN THEIR ENTIRETY BEFORE DECIDING WHETHER TO INVEST IN THE FUND, AND SHOULD CONDUCT THEIR OWN DILIGENCE REGARDING THE FUND AND ITS PROPOSED BUSINESS.

REGULATORY MATTERS

Investment Company Act Considerations

We intend to conduct our operations so that neither the Fund nor any of its subsidiaries will be required to register as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"). A person will generally be deemed to be an "investment company" for purposes of the Investment Company Act if, absent an available exception or exemption, it: (i) is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or (ii) owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis (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 Investment Company Act.

We will conduct our businesses primarily through majority-owned subsidiaries, and we anticipate that we will hold Real Estate Investments (i) through direct wholly-owned subsidiaries, and (ii) through direct or indirect majority-owned subsidiaries. We expect to use the proceeds of this Offering to invest in multifamily construction and development projects located predominantly in the southeastern and southwestern regions of the United States. We intend to monitor our compliance with the 40% Test and the holdings of our subsidiaries to ensure that each of our subsidiaries is in compliance with an applicable exemption or exclusion from registration as an investment company under the Investment Company Act.

The Investment Company Act defines a majority-owned subsidiary of a person as a company 50% or more of the outstanding voting securities of which are owned by such person, or by another company which is a majority-owned subsidiary of such person. We treat companies in which we own at least a majority of the outstanding voting securities as majority-owned subsidiaries. The determination of whether an entity is a majority-owned subsidiary of our company is made by us. We also treat subsidiaries of which we or our wholly-owned or majority-owned subsidiary is the manager (in a manager-managed entity) or managing member (in a member-managed entity) or in which our agreement or the agreement of our wholly-owned or majority-owned subsidiary is required for major decisions affecting the subsidiaries (referred to herein as "Controlled Subsidiaries"), as majority-owned subsidiaries even though none of the interests issued by such Controlled Subsidiaries meets the definition of voting securities under the Investment Company Act. We reached our conclusion on the basis that the interests issued by the Controlled Subsidiaries are the functional equivalent of voting securities. We have not asked the SEC staff for concurrence of our analysis and it is possible that the SEC staff could disagree with any of our determinations. If the SEC staff were to disagree with our treatment of one or more companies as majority-owned subsidiaries, we would need to adjust our strategy and our assets. Any such adjustment in our strategy could have a material adverse effect on us.

We believe that neither we nor our subsidiaries will be considered investment companies for purposes of Section 3(a)(1)(A) of the Investment Company Act because we and they will not engage primarily or hold themselves out as being primarily in the business of investing, reinvesting or trading in securities. Rather, we and such subsidiaries will be primarily engaged in non-investment company businesses related to real estate. Consequently, we and our subsidiaries expect to be able to conduct our operations such that none will be required to register as an investment company under the Investment Company Act. In light of this, we do not believe that the Fund will be required to register as an investment company under the Investment Company Act.

If the Fund were deemed to be an investment company in the future under the prima facie test, we believe that Fund would be exempt from the requirement to register as an investment company pursuant to the exclusion from the definition of an investment company provided by either Section 3(c)(5)(C) or Section 3(c)(6) of the Investment Company Act. In order to avail itself of Section 3(c)(5)(C), as interpreted by SEC staff, the Fund will be required to invest at least 55% of its assets in “mortgages and other liens on and interests in real estate,” or Qualifying Real Estate Assets, and at least 80% of our assets in Qualifying Real Estate Assets plus real estate-related assets. The Fund intends to invest in and manage a portfolio of Real Estate Investments. We expect to use a significant majority of the net proceeds from the Offering to invest and hold at least 55% of its total assets in interests in real estate that meet certain criteria outlined by the staff of the SEC as Qualifying Real Estate Assets. In addition, we intend for the Fund to hold at least 80% of its total assets in a combination of Qualifying Real Estate Assets and real estate-related assets. These real estate-related assets may include assets such as equity interests in subsidiaries that own multi-family real estate. The Fund intends to monitor closely its holdings under the 55% test and the 80% test in an effort to comply with Section 3(c)(5)(C) and related guidance. Based on these holdings, we believe that the Fund would not be considered an investment company for purposes of Section 3(c)(5)(C) of the Investment Company Act.

In addition, Section 3(c)(6) of the Investment Company Act excludes from the definition of “investment company” any company primarily engaged, directly or through majority-owned subsidiaries, in a business, among others, described in Section 3(c)(5)(C) of the Investment Company Act. The SEC has indicated that Section 3(c)(6) requires a company to hold at least 55% of its assets in, and derive 55% of its income from, a Section 3(c)(5)(C) business. The staff of the SEC has issued little additional interpretive guidance with respect to Section 3(c)(6). To the extent the Fund holds its real estate investments through subsidiaries, it will rely on Section 3(c)(6) of the Investment Company Act rather than Section 3(c)(5)(C). In such a case, more than 55% of its assets will be held in, and more than 55% of its income will be derived from, a combination of our interests in majority-owned subsidiaries and Qualifying Real Estate Assets.

See “Risk Factors — Fund Risks — If we were deemed an “investment company” under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business as conducted and could have a material adverse effect on our business” and “Investment Company Act Considerations.”

Securities Act of 1933

The LP Units will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any other securities law. The LP Units will be offered without registration in reliance upon the exemption contained in Section 4(a)(2) of the Securities Act or regulations of the SEC for transactions not involving a public offering. Each prospective investor must be an “accredited investor” (as defined in Regulation D promulgated under the Securities Act) and will be required to represent,

among other customary private placement representations, that it is acquiring LP Units for investment purposes only and not with a view to resale or distribute. Further, each investor must be prepared to bear the economic risk of the investment for an indefinite period because LP Units can be resold only pursuant to an offering registered under the Securities Act or an exemption from such registration requirement. It is extremely unlikely that LP Units will ever be registered under the Securities Act. There is no public market for the LP Units, and one is not expected to develop. In addition, such LP Units may not be sold, transferred, assigned or hypothecated, in whole or in part, except as provided in the LP Agreement.

Pursuant to recent amendments to Rule 506 of Regulation D, the Fund's reliance on the "private placement" exemption from registration provided under Regulation D may become unavailable if "covered persons" become subject to a "disqualifying event" (as such terms are defined in the amendments' adopting release). "Covered persons" include beneficial owners of 20% or more of the Fund's outstanding equity securities, calculated on the basis of total voting power rather than on the basis of ownership of any single class of securities (a "20% Beneficial Owner"). In the event that a Limited Partner is a 20% Beneficial Owner and becomes subject to a disqualifying event, the General Partner may treat such Limited Partner as a defaulting Limited Partner or take such other equity measures as it may determine, such as the compulsory withdrawal of, or the transfer of all or a portion of, such Limited Partner's LP Units. In addition, "covered persons" also include any person that has been or will be paid (directly or indirectly) remuneration for solicitation of investors in connection with a sale of LP Units including, without limitation third-party placement agents.

Investment Advisers Act

The Fund intends to invest solely in real estate and not in securities. As a result, none of the General Partner, the Fund Advisor or their respective affiliates are expected to be required to register as an investment advisor under the Investment Advisers Act of 1940 (the "Investment Advisers Act"), and none of the General Partner, the Fund Advisor or their respective affiliates intend to register as an investment advisor under the Investment Advisers Act at the current time. The Limited Partners will not be afforded the protections provided to clients of registered investment advisers under the Investment Advisers Act. The General Partner, as sponsor of the Fund, and the Fund Advisor, as investment manager of the Fund, are nevertheless subject to the anti-fraud provisions of the federal securities laws.

Prevention of Money Laundering

In order to comply with regulations aimed at the prevention of money laundering in any applicable jurisdictions, the Fund may require prospective investors to provide evidence to verify their respective identities. Accordingly, the General Partner reserves the right to request such information as it considers necessary to verify the identity of a prospective investor. The General Partner may refuse to accept any subscription application if a prospective investor delays in producing or fails to produce any information required by the General Partner for the purpose of verification and, in the event, the General Partner intends to return, without interest, any funds received by it to the account from which the funds were originally debited. In addition, if the General Partner determines that the Limited Partner is an unacceptable investor for purposes of applicable anti-money laundering, terrorism or similar laws, the General Partner may freeze the Limited Partner's distributions and interests and take such other actions as may be permitted under the LP Agreement, such Limited Partner's subscription agreement with respect to the Fund or desirable or as may be necessary under any applicable law.

Requests for Supplemental Information

Each Limited Partner will be required to comply promptly with reasonable requests for information made by the General Partner in order for the Fund to satisfy any request for information about such Limited Partner, its Capital Contribution Commitment and other information regarding its interest in the Fund in connection with the operation of the Fund, including, without limitation, requests made by any U.S. federal, state or local or non-U.S. regulatory authority, agency, committee, court, exchange or self-regulatory organization (e.g., obtaining approvals necessary for the making, holding or disposition of any investment).

Legal Counsel

Dentons represents the General Partner with respect to the specific matters as to which it has been retained and consulted by the General Partner, including certain matters with respect to the Fund. Other matters may exist that could have a bearing on the Fund and its investments and underlying Real Estate Investments, the General Partner and/or their respective affiliates as to which Dentons has been neither retained nor consulted. Dentons does not undertake to monitor compliance by the General Partner and its affiliates with the Investment Program and other investment guidelines and procedures set forth in this Memorandum and the LP Agreement, nor does Dentons monitor compliance by the Fund, the General Partner and/or their affiliates with applicable laws, unless in each case Dentons has been specifically retained to do so. Dentons does not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning the Fund, the General Partner or any of their respective affiliates, personnel, investments or portfolio investments.

THE LP AGREEMENT

General

Although various terms of the LP Agreement are described in this Memorandum, Investors should read the entire LP Agreement, a copy of which is attached hereto as Exhibit A, for a complete understanding of the Fund. The LP Agreement sets forth the specific provisions relating to the operation of the Fund and the relative rights and obligations of the General Partner and the Limited Partners.

Payment of Capital Contribution Commitments

Each Limited Partner will be obligated to subscribe for a minimum Capital Contribution Commitment of \$250,000 per LP Unit, provided that the General Partner may accept lesser amounts in its sole discretion.

Prior to the Initial Closing, no portion of the Capital Contribution Commitment is due and payable at the time of subscription or at the Initial Closing. Some or all of each Investor's Capital Contribution Commitment will be due within seven (7) business days of demand by the General Partner, from time to time, as needed to fund a Real Estate Investment and/or to pay Fund/subsidiary expenses, until each Limited Partner's Capital Contribution Commitment is paid in full. The General Partner will make capital calls as capital is needed to fund Real Estate Investments (including additional equity contributions into an existing Real Estate Investment).

The timing and amount of required additional capital contributions will be determined in the General Partner's sole discretion.

The failure of a Limited Partner to pay all or any portion of such Limited Partner's Capital Contribution Commitment when due, the failure of such Limited Partner to pay any other amount payable under the LP Agreement when due or the commencement of a proceeding in bankruptcy or insolvency by or against such Limited Partner shall constitute an event of default ("Default"). The Fund shall give notice of the Default to such Limited Partner (the "Defaulting Limited Partner"). If the Defaulting Limited Partner fails to pay the amount due within five (5) days of such notice, the General Partner may charge the Defaulting Limited Partner interest on the unpaid Capital Contribution Commitment or other delinquent payment, charge a late fee on such unpaid Capital Contribution Commitment or other delinquent payment, accelerate the total amount of the unpaid Capital Contribution Commitment of the Defaulting Limited Partner, set-off any distributions payable to the Defaulting Limited Partner against the unpaid Capital Contribution Commitment or other delinquent payment and/or sell all or a portion of the Defaulting Limited Partner's LP Units on behalf of the Defaulting Limited Partner. A Defaulting Limited Partner also will not be entitled to receive any distributions from the Fund and will have no voting or other rights during the period of Default.

In the event that any Limited Partner fails to make a Capital Contribution when due (a "Default Capital Contribution"), the General Partner may, but will not be obligated to, call for additional or supplemental Capital Contributions ("Deficiency Capital Contributions") from the Limited Partners (other than the Defaulting Limited Partner that failed to fund its Default Capital Contribution) in an aggregate amount equal to such unpaid Default Capital Contribution. Each Limited Partner (other than the Defaulting Limited Partner that failed to fund its Default Capital Contribution) shall make a Deficiency Capital Contribution within ten (10) business days after issuance of a Capital Call Notice in an amount equal to its percentage interest (without taking into consideration the percentage interest of the Defaulting Limited Partner that failed to fund its Default Capital Contribution) of the amount of the Default Capital Contribution. Any Deficiency Capital Contribution made by a Limited Partner shall reduce the unpaid Capital Contribution Commitment of such Limited Partner. Additionally, if Deficiency Capital Contributions are made by the Limited Partners, the following shall automatically take place without the consent or further action of any Limited Partner: (i) the Capital Contribution Commitment of the Defaulting Limited Partner shall be reduced by the aggregate amount of such Deficiency Capital Contributions; (ii) the number of LP Units owned by the Defaulting Limited Partner shall be reduced by an amount equal to (A) the aggregate amount of such Deficiency Capital Contributions divided by (B) \$250,000; (iii) the respective percentage interests of the Limited Partners shall be adjusted to reflect the Capital Contributions made as a result of the Defaulting Limited Partner; and (iv) the General Partner shall update the List of Limited Partners to reflect the Defaulting Limited Partner's reduced Capital Contribution Commitment and number of LP Units and the adjusted percentage interests of all the Limited Partners.

Limited Partners will not be required to pay any unpaid balance of such Limited Partner's Capital Contribution Commitments following the expiration of the Investment Period, except for (i) capital called to pay Fund and/or subsidiary expenses, and (ii) any Real Estate Investment that is identified during the Investment Period and subject to an executed letter of intent and/or purchase agreement as of the expiration of the Investment.

Subsequent Closings of the Offering.

Each Additional Limited Partner acquiring LP Units at a closing of the Offering after the initial closing will be required, pursuant to Section 2.6 of the LP Agreement, to make at the time of the acceptance of their subscription an additional True-Up Contribution and pay an Adjustment Amount based thereon to equalize such Additional Limited Partner's participation in existing Fund Real Estate

Investments in order to compensate the existing Partners for the dilution of their interests in the Fund. The amount of an Additional Limited Partner's True-Up Contribution will reduce the unpaid balance of such Additional Limited Partner's Capital Contribution Commitment, but the funding of the Adjustment Amount will not be treated as a Capital Contribution for purpose of satisfying such Additional Limited Partner's Capital Contribution Commitment or reducing such Additional Limited Partner's remaining unpaid balance of its Capital Contribution Commitment.

Withdrawals; Transfer of LP Units

No Limited Partner will have the right to withdraw or demand a return of such Limited Partner's Capital Contribution from the Fund (except upon the dissolution and winding up of the Fund). In addition, Limited Partners will not be permitted to sell, assign or transfer all or any of their LP Units without the prior written consent of the General Partner, which consent may be withheld in the sole discretion of the General Partner. There is no public or secondary market for the LP Units, and no such markets for the LP Units are expected to develop. Accordingly, Limited Partners will be required to hold their LP Units for an indefinite period of time.

Mandatory Withdrawal

If at any time the General Partner determines that there is a reasonable likelihood that the continuing participation in the Fund by any Limited Partner will have a Material Adverse Effect (as defined below), such Limited Partner will, at the request of the General Partner, be required to use its best efforts to assign all its LP Units in the Fund (or such portion thereof as is sufficient, in the reasonable discretion of the General Partner, to prevent or remedy such Material Adverse Effect) to any Person at a price acceptable to such Limited Partner, in a transaction that complies with the LP Agreement. If such Limited Partner fails to assign all its LP Units within 60 days after notice from the General Partner, the General Partner may prohibit such Limited Partner from making any further capital contributions to the Fund, offer such Limited Partner's LP Units for sale to any Person, cause the Fund to redeem such Limited Partner's LP Units and/or dissolve the Fund. A "Material Adverse Effect" means the determinations by the General Partner, in its reasonable discretion, that such contribution or participation by such Limited Partner, when taken by itself or together with the contributions or participation by any other Limited Partners, is reasonably likely to (i) result in a violation of a statute, rule or regulation of a United States federal, state or local or foreign governmental authority, (ii) subject the Fund to any material filing, material regulatory requirement (including the registration or other requirements of the Investment Company Act) or material tax to which it would not otherwise be subject, or materially increase such tax, or make such filing or regulatory requirement substantially more burdensome, or (iii) have any adverse effect on any of the federal or state regulatory authorizations, waivers or exemptions of the Fund.

Distributions

The Fund will distribute Available Cash Flow as described above in "Summary of Principal Terms – Operation of the Fund – Distributions."

Reports

The General Partner will prepare, or cause to be prepared, the Fund's annual income tax return and annual unaudited financial statements. The General Partner will use commercially reasonable efforts to transmit within 90 days after the end of each calendar year to each Limited Partner a report indicating such Person's respective proportionate share of the profits and losses for such calendar year for federal

income tax purposes and within 90 days after the end of each calendar year a copy of the aforementioned unaudited financial statements.

Limited Partners should anticipate the need for extending the filing of their individual tax returns as a result of the timing of the delivery of reports relating to their investment in the Fund.

The General Partner will also use commercially reasonable efforts to furnish, within sixty (60) days after the end of each of the first three fiscal quarters during each fiscal year or as soon as reasonably practical thereafter, (i) unaudited financial statements of the Fund for the quarter then ended and (ii) other materials setting out descriptive information regarding the Fund's operations and activities, which may be in a summary outline or narrative form, as the General Partner may determine to be appropriate for disclosure to accompany such financial reports.

The General Partner will, to the maximum extent permitted by law, be deemed to have satisfied its obligations to transmit tax returns, financial statements and reports if the General Partner posts such returns, statements and/or reports on a secure website and gives notice to the Limited Partners of the availability of such returns, statements and/or reports, the URL address of the secure website and a password for access to such secure website, if necessary.

Term of the Fund

The term of the Fund will be five (5) years from the date the Investment Period expires but may be extended by the General Partner (in its sole and absolute discretion) for up to two (2) additional years (as may be extended, the "Term"). The investment period ("Investment Period") will commence with the Initial Closing and will expire on the second (2nd) anniversary of whichever happens first: (i) the Final Closing, or (ii) the Offering Termination Date; provided, however, the Investment Period expiration may be extended by the General Partner (in its sole discretion) for up to one (1) additional year. The General Partner will provide written notice to the Limited Partners of any extension or early termination of the Investment Period.

Upon expiration of the Term, the General Partner will use its best efforts to liquidate all of the assets of the Fund in an orderly manner and distribute all investments or proceeds as soon as practicable.

There can be no assurance that the General Partner will be able to liquidate the Fund's assets within these time periods. The timing of the liquidation of the Fund's Real Estate Investments will depend on, among other factors, market conditions and availability of financing.

CERTAIN TAX CONSIDERATIONS

The following is a general summary of certain federal income tax consequences to Limited Partners of an investment in the Fund. It is not intended as a complete analysis of all possible tax considerations in acquiring, holding and disposing of LP Units in the Fund 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 Fund, may not be the same for all taxpayers. Except as otherwise discussed herein, this discussion has been prepared on the assumption that a Limited Partner will be an individual who is a citizen or resident of the United States, and does not describe any of the special U.S. federal income or estate tax considerations relevant to foreign investors. No opinion of legal counsel or ruling from the IRS is being or will be sought as to any matter discussed below. Any changes in tax laws or regulations after the date hereof could alter the tax

consequences to Limited Partners, and the Fund will not undertake to update this summary in response to any such changes. Prospective investors must consult their own tax advisors with respect to the tax consequences (including state and local and estate tax consequences) of an investment in the Fund.

This discussion of the federal income tax consequences of an investment in the Fund is based upon existing law, contained in the Internal Revenue Code of 1986, as amended (the “Code”), the Treasury regulations promulgated under the Code (the “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 Limited Partner’s investment in the Fund.

Classification as a Partnership. Under current law, the Fund will be classified as a partnership, and not as an association taxable as a corporation, for federal income tax purposes. Certain “publicly traded partnerships” (as defined in the Code) are taxed as corporations. The General Partner intends to operate the Fund so that it will not be treated as a publicly traded partnership. Accordingly, the Fund is not expected to pay any U.S. federal income tax, and the discussion below assumes that the Fund will be treated as a partnership for federal income tax purposes.

Taxation of Limited Partners on Income or Losses of the Fund. No federal income tax is payable by an entity that is treated as a partnership for federal income tax purposes. Instead, each Limited Partner must report on its federal income tax return for each year during which the Limited Partner is a Limited Partner of the Fund, its distributive share of the items of income, gain, loss, deduction and credit of the Fund, whether or not cash is distributed to that Limited Partner during the taxable year. Because Limited Partners are required to include Fund income in their respective income tax returns without regard to whether there are distributions attributable to that income, Limited Partners may be liable for federal and state income taxes on that income even though they have received no distributions from the Fund. The General Partner is not required to make distributions to Limited Partners to cover their tax liability and, in fact, has no present intention of making any distributions for such purpose. Accordingly, each Limited Partner will be required to find other sources from which to pay the federal, state and local taxes arising out of this investment.

Deduction of Losses. A Limited Partner generally is entitled to deduct its share of any capital losses of the Fund on such Limited Partner’s federal income tax return up to a maximum amount of \$3,000, unless such Limited Partner has capital gains from the Fund or other sources in the same or subsequent years, in which case it may be able to deduct a greater amount. If the Fund generates ordinary income and net capital losses, Limited Partners are taxable on the ordinary income but, unless they have current capital gains, may be unable to deduct the capital losses in excess of \$3,000 allocable to them. Individuals cannot carry back net capital losses but can carry forward such losses indefinitely on their federal income tax return.

Basis of LP Units. A Limited Partner’s tax basis in its LP Units will include the amount of money that the Limited Partner contributes to the Fund, increased principally by the Limited Partner’s allocable share of any Fund taxable income and gain, and decreased, but not below zero, principally by distributions from the Fund to the Limited Partner and by the Limited Partner’s allocable share of Fund tax losses and deductions. A Limited Partner will be treated as having only one aggregate tax basis in the Fund, even if the Limited Partner acquires LP Units at different times or for different amounts.

Distributions; Redemptions. Generally, a cash distribution to a Limited Partner, including upon a redemption of its LP Units, is taxable only to the extent the distribution exceeds the Limited Partner's tax basis in its LP Units. The amount of that excess generally would be taxable as capital gain except to the extent attributable to market discount on debt instruments owned by the Fund. It should be noted that an economic loss realized by a Limited Partner upon a redemption can be recognized only upon a complete redemption of all of its LP Units.

Capital gain or loss on a redemption (or other disposition) of LP Units generally will be long-term capital gain or loss to the extent of the portion of the Limited Partner's LP Units that was held for more than 12 months, and short-term capital gain or loss to the extent of the portion of the Limited Partner's LP Units that was held for 12 months or less. A Limited Partner will begin a new holding period each time the Limited Partner makes an additional investment in the Fund as to the portion of its LP Units that was received by it in consideration for such additional subscription.

Limitations on Deduction of Losses. The deduction of Fund losses, if any, by a Limited Partner is subject to numerous limitations. A Limited Partner's share of tax losses and deductions allocated to such Limited Partner by the Fund in any taxable year generally may be deducted only to the extent of the Limited Partner's tax basis in its LP Units at the end of that taxable year, limited to the amount the Limited Partner is considered to have "at risk" (generally, the sum of the Limited Partner's cash investment plus any borrowed amounts for which the Limited Partner is personally liable or which are secured by personal assets other than its LP Units).

Under Section 67(g) of the Code, an individual's miscellaneous itemized deductions, including its investment advisory expenses, are not deductible for taxable years beginning after December 31, 2017, and before January 1, 2026.

Miscellaneous itemized deductions for these purposes do not include expenses incurred in connection with a trade or business. If the Fund is considered to be engaged in a trade or business, then an individual Limited Partner's distributive share of asset management fees and other Fund operating expenses should not be treated as miscellaneous itemized deductions. If the Fund is not considered to be engaged in a trade or business, then such expenses would be not deductible for regular income tax purposes. This could result in a Limited Partner having to report taxable income in excess of its economic profits from the Fund.

The General Partner will review the actual level of the investment activity of the Fund each year with the Fund's accountants and determine whether it is sufficient to take a position that the Fund is engaged in a trade or business. The Fund may be required to report asset management fees and other expenses as investment expenses that are subject to this limitation. There also is no assurance that, if the Fund and its accountants determine that it can report its expenses as trade or business expenses, a taxing authority will not challenge such position, or will not challenge the deductibility of Fund expenses on other grounds.

The Fund's organizational expenses are not currently deductible but may be amortized ratably over a 180-month period. The Fund's costs of offering LP Units are neither deductible nor amortizable and must instead be capitalized for the life of the Fund.

The Code places a limitation on the deductibility of interest on funds borrowed to acquire or carry assets held for investment by taxpayers other than corporations. Assets "held for investment" generally include, for these purposes, investments, the income and gains from which are classified as non-passive

activity income under the passive activity loss rules discussed earlier. Non-corporate Limited Partners will be subject to this limitation in calculating the deductible portion of their share of the Fund's interest expense. Under this limitation, which is applied at the Limited Partner (not the Fund) level, the amount of investment interest which may be deducted by a non-corporate Limited Partner may not exceed the amount of such Limited Partner's "net investment income" (i.e., the amount by which interest, certain dividends, royalties, short-term capital gains and rents from investment property exceeds the expenses incurred in earning such income). Long-term capital gains and dividends qualifying for federal income taxation at capital gains rates are includable in net investment income only to the extent a Limited Partner elects to pay tax on such gains at the same marginal income tax rates as its other income. Non-deductible interest may be carried forward and deducted as investment interest in future taxable years, subject to the foregoing limitation. The investment interest limitation will also apply to interest payable with respect to any loans obtained by non-corporate Limited Partners to purchase LP Units. The application of the investment interest limitation to a particular Limited Partner will depend on its overall tax situation and should be reviewed by it with its personal tax advisor.

Passive Loss Limitation. Section 469 of the Code substantially restricts the ability of many non-corporate taxpayers and personal service corporations to deduct losses derived from "passive activities." Passive activities generally include any activity involving the conduct of a trade or business in which the taxpayer does not materially participate, including the activity of a limited partnership in which the taxpayer is a limited partner, and certain rental activities, including the rental of real estate. The General Partner believes that an investment in the Fund will be treated as a passive activity (if the investor is not materially participating). Accordingly, income and loss will generally constitute passive activity income and passive activity loss, as the case may be, to Fund Investors.

Losses from passive activities are generally deductible only to the extent of an investor's income or gains from passive activities and will not be allowed as an offset against other income, including salary or other compensation for personal services, active business income or "portfolio income," which includes nonbusiness income derived from dividends, interest, royalties, annuities and gains from the sale of property held for investment. Passive activity losses that are not allowed in any taxable year are suspended and carried forward indefinitely and allowed in subsequent years as an offset against passive activity income in future years.

Taxation of Tax-Exempt Investors. Tax-exempt organizations are generally subject to U.S. federal income tax on a net basis on their unrelated business taxable income. UBTI is defined generally as any gross income derived by a tax-exempt organization from an unrelated trade or business that it regularly carries on, less the deductions directly connected with that trade or business. Notwithstanding the foregoing, UBTI generally does not include any dividend income, interest income (or certain other categories of passive income) or capital gains recognized by a tax-exempt organization so long as such income is not debt-financed, as discussed below. UBTI also includes certain insurance income derived by controlled foreign corporations if a tax-exempt organization is a United States shareholder with respect to such corporation.

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 liability for that year as a result of deductions against such gross income, including an annual \$1,000 statutory deduction.

The exclusion from UBTI for dividends, interest (or other passive income) and capital gains does not apply to income from "debt-financed property," which is treated as UBTI to the extent of the

percentage of such income that the average acquisition indebtedness with respect to the property bears to the average tax basis of the property for the taxable year. Gain attributable to the sale of previously debt-financed property continues to be subject to these rules for 12 months after any acquisition indebtedness is satisfied. If the Fund incurs acquisition indebtedness, a tax-exempt U.S. Limited Partner would be deemed to have acquisition indebtedness equal to its allocable portion of such acquisition indebtedness. If a tax-exempt U.S. Limited Partner incurs indebtedness to acquire its LP Units, such indebtedness generally would also be treated as acquisition indebtedness.

The Fund may make investments that cause the Fund to generate UBTI, which would require entities otherwise exempt from federal income tax to incur tax liability in respect of such income. **However, the Fund may, in the sole discretion of the General Partner, make an investment through an entity treated as a corporation for U.S. federal income tax purposes in order to address possible UBTI issues for tax-exempt entity investors.**

The potential for having income characterized as UBTI may have a significant effect on any investment by a tax-exempt entity in the Fund and may make investment in the Fund unsuitable for some tax-exempt entities.

TAX-EXEMPT INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ALL ASPECTS OF UBTI AND AN INVESTMENT IN THE FUND.

Fund Tax Returns; Audits. The Fund's tax returns are subject to review by the IRS and other taxing authorities. There can be no assurance that these authorities will not make adjustments in the tax figures reported on the Fund's returns. As of January 1, 2018, new rules now govern the process for auditing and assessing deficiencies with respect to income derived through partnerships. As a result of this change, adjustments to items of income, gain, loss, deduction or credit of a partnership for a partnership taxable year (and any partner's distributive share thereof), generally shall be determined and assessed at the partnership level, and, in general, the partnership will be liable for paying any additions to tax and associated penalties and interest that result from such adjustments. If the Fund's income is adjusted for any taxable year under the new rules, it may pay tax on the resulting assessment at higher rates than would the Limited Partners if each Limited Partner calculated its tax liability on its individual tax return for its share of such adjustment. In addition, under these rules, a Limited Partner may economically bear a greater portion of such tax (and associated interest and penalties) than such Limited Partner would have borne if the adjustment had passed through to the Limited Partners. The payment of tax, interest and penalties by the Fund generally would be made for the year such assessment is made, rather than for the taxable year which was audited or examined, which could result in some Limited Partners economically bearing a larger portion of any tax liability than they would have borne if the Fund had reported the item as adjusted in the year of the adjustment, including Limited Partners who were not Limited Partners in the year of the adjustment. The Fund may, by election or request, require Limited Partners (including former Limited Partners) to amend prior tax returns to take into account their shares of any adjustment, which would result in a shift of the liability for any taxes resulting from such adjustment to such Limited Partners. Under certain circumstances, and if the Fund provides certain information about its Limited Partners to the IRS, the Fund may be eligible to elect to opt out of these new audit rules, but there can be no guarantee that it will be able to do so. There is still significant uncertainty regarding the way in which these new rules will be interpreted and implemented, and the IRS may promulgate additional Regulations or other guidance to implement these new audit rules in the future. Any such future guidance could add additional burdens or economic costs to the Fund and the Limited Partners.

In addition, in connection with the new partnership audit rules described above, the General Partner will appoint a “partnership representative” of the Fund, who will have the authority, without the consent of any Limited Partner, at the Fund’s expense, (1) to represent the Fund in connection with all examinations of the Fund’s affairs by tax authorities, including any resulting administrative and judicial proceedings with respect to the tax liabilities of the Fund and/or the Limited Partners, (2) to negotiate, enter into settlements concerning, to litigate or otherwise resolve any tax matters pertaining to the Fund, (3) to make the “push-out election” and to make and undertake any other elections, decisions and actions for and on behalf of the Fund pertaining to the tax status and other tax matters of the Fund and the Limited Partners, (4) to expend cash of the Fund for professional services and costs associated therewith, and (5) to exercise any other powers and authority granted under applicable law. All expenses incurred by the partnership representative in such capacity will be borne by the Fund.

Tax Shelter Regulations; Disclosure. Certain Regulations directed at abusive tax shelter activity apply to transactions not conventionally regarded as tax shelters. Among other things, the Regulations require specified disclosures by certain persons that directly or indirectly participate in a “reportable transaction,” as defined therein. A transaction involving an actual or deemed acquisition of an asset generally is a reportable transaction if it generates gross tax losses (whether or not offset by income or gains) equal to or greater than certain amounts (specified below), unless the transaction comes within one of several exclusions. (The amounts are, for taxpayers other than corporations, \$2 million from one or more reportable transactions in any taxable year, \$4 million from one or more reportable transactions over any six- year period, or \$50,000 of ordinary loss from any foreign currency transaction that is not otherwise excluded from the application of these rules.)

Accordingly, it is possible that the Fund may participate in one or more reportable transactions. In that event, the Fund would be required to file an IRS Form 8886 with its tax return and maintain a list identifying those Limited Partners (if any) that were allocated tax losses from the reportable transaction(s) equal to or greater than the specified amounts. A Limited Partner that is allocated tax losses from reportable transactions equal to or greater than the specified amounts must file an IRS Form 8886 with its own tax return for each year that the Limited Partner reports tax losses from the reportable transaction(s).

Each Limited Partner should consult with its own tax advisor concerning the possible application of the foregoing disclosure and investor list maintenance requirements to this investment.

Subject to compliance with any applicable federal or state securities laws, a Limited Partner (and any employee, representative or other agent of the Limited Partner) is expressly authorized to disclose to any and all persons the tax structure and tax treatment of an investment in the Fund or a Fund transaction and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax structure and tax treatment, without limitation of any kind except that tax treatment and tax structure shall not include the identity of the Fund or the General Partner. The tax structure of an investment in the Fund or a Fund transaction is any fact that may be relevant to understanding the claimed federal income tax treatment of an investment in the Fund or the applicable transaction. The tax treatment of this investment or transaction is the claimed federal income tax treatment of this investment or the transaction.

Additional 3.8% Medicare Tax. In connection with enacted health care reform legislation, a Medicare tax is applied to investment income. A 3.8% tax is imposed on net investment income of individual taxpayers with adjusted gross income over \$200,000 and married taxpayers filing jointly with

adjusted gross income over \$250,000. Net investment income is interest, dividends, royalties, rents, gross income from a trade or business involving passive activities, and net gain from disposition of property (other than property held in a trade or business). Net investment income is reduced by properly allocable deductions to such income. Such tax applies only to income in excess of such applicable \$200,000 or \$250,000 threshold amounts. Therefore, based on the anticipated activities of the Fund, an individual Limited Partner's distributive share of income or gain may be subject to this additional 3.8% tax.

State and Local Taxes; Foreign Taxes. Each Limited Partner may be liable for state and local income taxes payable in the state or locality in which it is a resident or doing business. The income tax laws of each state and locality may differ from the above discussion of federal income tax laws, and may impose additional limitations on the deductibility of losses and expenses that are reported by the Fund or otherwise treated as investment advisory expenses.

Each Limited Partner that is a resident of Alabama is required to file an annual Alabama income tax return reporting its pro rata share of the Fund's taxable income. It is anticipated that the Fund will meet the requirements for classification as a "qualified investment partnership" under Alabama law and as such, non-resident Limited Partners would generally not be subject to Alabama income tax on their pro rata share of Fund income. In the event the Fund does not meet the requirements for classification as a qualified investment partnership, non-resident Limited Partners may be subject to Alabama withholding requirements and/or the Fund may be required to file a composite return and make composite payments on behalf of such nonresident Limited Partners. Limited Partners are urged to consult their own tax advisers concerning Alabama taxes.

The Fund may be subject to foreign taxes, including withholding taxes, on its foreign investments in foreign securities. Such taxes may be deductible or creditable in determining a Limited Partner's U.S. income tax liability (if any), subject to applicable tax law limitations.

Limited Partners should anticipate the need for extending the filing of their individual tax returns as a result of the timing of the delivery of reports relating to their investment in the Fund.

Limited Partners must consult their own advisers regarding the possible applicability of state, local or foreign taxes to an investment in the Fund. In addition, 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 an investment in the Fund. Accordingly, a Limited Partner must consult its own tax adviser as to the tax consequences of such an investment.

THE OFFERING

Securities Offered

The Fund is seeking aggregate capital contribution commitments ("Capital Contribution Commitments") of a minimum of \$30,000,000 (the "Minimum Offering") and a maximum of \$120,000,000 (the "Maximum Offering"). In exchange for Capital Contribution Commitments, the Fund is offering units of limited partnership interest ("LP Units") at a purchase price of \$250,000 per LP Unit.

The LP Units are not being registered under the Securities Act or any state securities law and are being offered pursuant to a private placement exemption under Regulation D of the Securities Act and in reliance upon exemptions from state registration for transactions by an issuer not involving any public offering. Subscribers accepted by the General Partner shall become Limited Partners in the Fund.

Minimum Investment

Each subscriber for LP Units will be required to purchase a minimum of one (1) LP Unit for \$250,000 (the "Minimum Investment"), although the Fund may accept commitments less than that amount at the General Partner's discretion. The amount that an Investor commits to invest is referred to herein as that Investor's "Capital Contribution Commitment."

Closings

The Initial Closing may occur any time after the Fund has received and accepted subscriptions totaling \$30 million in aggregate Capital Contribution Commitments on a date determined by the General Partner, in its sole discretion.

Following the Initial Closing, staged closings will be held in which the Fund accepts subscriptions from investors (each such closing being a "Subsequent Closing", the last of which is referred to as the "Final Closing") at the General Partner's discretion up until the Offering Termination Date. Limited Partners admitted at a Subsequent Closing, and Limited Partners subscribing for additional LP Units at a Subsequent Closing, shall be required to fund true-up Capital Contributions and the 8% interest per annum component (as provided in the LP Agreement). Such true-up Capital Contributions and interest component shall be distributed to the Limited Partners previously admitted to the Fund prior to the applicable Subsequent Closing.

In the event that the Fund does not receive subscriptions for Capital Contribution Commitments totaling at least \$30 million by the Minimum Offering Termination Date, the General Partner will terminate the Offering.

Eligible Investors

Admission as a Limited Partner in the Fund is not open to the general public. No individual legal representative, corporation, partnership, trust, committee or other entity shall be admitted as a Limited Partner of the Fund unless such investor is specifically selected by the General Partner. Each investor must qualify as an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the Securities. The definition of “accredited investor” is set forth on Exhibit C hereto.

An investment in the Fund may be deemed to be a speculative investment and is not intended as a complete investment program. An investment in the Fund is suitable only for financially experienced and sophisticated investors who are aware of, and can afford, the risks involved in an investment in the Fund and have the ability and willingness to accept (i) the restricted liquidity of an investment in the Fund and (ii) the risk of loss of all or a substantial portion of such investment.

IRA Investors

Interests in the Fund may be purchased or owned by investors who are investing assets of their individual retirement accounts (“IRAs”). In consultation with its advisors, each prospective investor that is an IRA should carefully consider whether an investment in the Fund is appropriate for and permissible under the terms of its governing documents. Fiduciaries of investors that are IRAs should consider in particular that interests in the Fund will be illiquid and that it is not expected that a significant market will exist for the resale of such interests, as well as the other general fiduciary considerations described above.

Sale of LP Units; No Commissions

LP Units in the Fund are being offered on behalf of the Fund by the General Partner to clients of the General Partner and other qualified investors. No commissions or other compensation in connection with the sale of LP Units will be paid to the General Partner or to anyone else.

Subscription Procedure

To purchase LP Units, an Investor must:

1. complete, execute and deliver to the Fund a Subscription Booklet in the form attached hereto as Exhibit B at least five (5) business days prior to the desired closing date, together with such other supplementary documents as the General Partner requests; and
2. arrange for the payment of such Investor’s Capital Contribution (if any) payable at such Closing.

By executing the subscription documents, a prospective investor agrees to become a party to the LP Agreement, which sets forth the terms of such investor’s participation in the Fund. The LP Agreement provides that the operation of the Fund, and an investor’s rights and responsibilities, will generally be as described in this Memorandum. To the extent there are any inconsistencies between the LP Agreement and this Memorandum, the terms of the LP Agreement shall control. For full information as to the contents of the LP Agreement, you should read the LP Agreement attached hereto as Exhibit A.

The Fund reserves the right to accept subscriptions under other conditions. The Fund also reserves the right to reject any subscription, in whole or in part, for any reason or no reason, and all subscriptions for LP Units are irrevocable.

ADDITIONAL INFORMATION

Prospective investors are invited to contact the General Partner for a further explanation of the terms and conditions of this offering of LP Units in the Fund. The General Partner will afford prospective investors the opportunity to obtain additional information concerning the Fund and the terms and conditions of this offering to the extent that the General Partner or the Fund possess such information or can acquire it without unreasonable effort or expense. Requests for such information should be directed to the offices of the General Partner, at LIV Development Fund I GP, LLC, 2204 Lakeshore Drive, Suite 450, Birmingham, AL 35209, phone: (205) 484-2845. Attention: Jeff Hicks, e-mail: jeff@livdev.com.

EXHIBIT A

**AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT OF
LIV DEVELOPMENT FUND I, LP**

(See Attached)

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
LIV DEVELOPMENT FUND I, LP

THE INTERESTS CREATED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION IN RELIANCE UPON AN EXEMPTION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAVE THEY BEEN REGISTERED WITH THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON CERTAIN EXEMPTION FROM REGISTRATION IN SUCH STATES. THE INTERESTS CREATED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT PURPOSES ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD OR TRANSFERRED EXCEPT IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT AND IN A TRANSACTION THAT IS EITHER EXEMPT FROM REGISTRATION UNDER SUCH ACTS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACTS.

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**AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF
LIV DEVELOPMENT FUND I, LP**

THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF LIV DEVELOPMENT FUND I, LP, a Delaware limited partnership (the "Partnership"), is made as of March 22, 2023, by and among LIV Development Fund I GP, LLC, a Delaware limited liability company, as the General Partner (the "General Partner"), Jeff Hicks, an individual resident of Alabama, as the Withdrawing Limited Partner (the "Withdrawing Limited Partner"), and the Persons who have executed and delivered this Agreement as Limited Partners and have been accepted for admission as Limited Partners by the General Partner.

RECITALS

WHEREAS, the General Partner and the Withdrawing Limited Partner formed the Partnership pursuant to a certificate of limited partnership of the Partnership (the "Certificate of Limited Partnership") filed with the Secretary of State of the State of Delaware on March 10, 2023, and entered into a Limited Partnership Agreement, dated as of March 10, 2023 (the "Original Agreement");

WHEREAS, the parties hereto wish to: (a) amend and restate the Original Agreement as hereinafter set forth; (b) admit the Limited Partners who acquire LP Units as limited partners of the Partnership; (c) effect the withdrawal of the Withdrawing Limited Partner from the Partnership; and (d) continue and operate the Partnership on the terms and conditions set forth herein; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings ascribed to such terms in Article XIV of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the terms and conditions of this Agreement and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

**ARTICLE I
FORMATION AND GENERAL MATTERS**

Section 1.1 **Formation and Continuation.** The Partnership was formed as a limited partnership under the laws of the State of Delaware on March 10, 2023, by the filing of the Certificate of Limited Partnership with the Secretary of State of the State of Delaware by the General Partner, as required by the Delaware Act. The parties agree to continue the Partnership as a limited partnership pursuant to the Delaware Act. This Agreement amends, restates and supersedes in its entirety the Original Agreement between the General Partner and the Withdrawing Limited Partner. The General Partner is authorized to take all action necessary or appropriate to comply with all applicable requirements for the operation of the Partnership as a limited partnership in the State of Delaware and in all other jurisdictions in which the Partnership may elect to conduct business.

Section 1.2 **Name.** The name of the Partnership is "LIV Development Fund I, LP." The General Partner is authorized to make any variations in the Partnership's name that the General Partner may deem necessary or advisable to comply with the laws of any jurisdiction in which the Partnership may elect to conduct business; provided, that such name as varied shall be a name permitted for a limited partnership under the Delaware Act. The General Partner may change the name of the Partnership at any time and from time to time by filing an amendment to the Partnership's Certificate of Formation (and upon any such filing this Agreement shall be

deemed automatically amended to change the name of the Partnership) and shall notify the Limited Partners of such change as soon as is reasonably practicable thereafter.

Section 1.3 Principal Place of Business. The principal place of business and office of the Partnership is located at 2204 Lakeshore Drive, Suite 450, Birmingham, Alabama 35209 or such other place or places as the General Partner may from time to time designate. The General Partner may establish such additional places of business of the Partnership in such other jurisdictions as it may from time to time determine. The General Partner shall provide notice to the Limited Partners of any change in the Partnership's principal place of business.

Section 1.4 Registered Office. The registered office of the Partnership shall be the office of the initial registered agent named in the Certificate of Limited Partnership or such other office (which need not be a place of business of the Partnership) as the General Partner may designate from time to time in the manner provided by the Delaware Act. The registered agent for service of process on the Partnership in the State of Delaware shall be the initial registered agent named in the Certificate of Limited Partnership or such other Person or Persons as the General Partner may designate from time to time in the manner provided by the Delaware Act.

Section 1.5 Purpose and Power.

(a) The principal purpose of the Partnership is to make, directly or indirectly, hold, manage, sell, exchange, or otherwise deal with Real Estate Investments in accordance with the investment objectives, policies, procedures and restrictions more specifically set forth in Article IV and in the Memorandum. In connection therewith, the Partnership shall have the power to engage in all activities and transactions which the General Partner deems necessary or advisable, including, without limitation:

- (i) identifying and analyzing potential Real Estate Investments;
- (ii) acquiring interests in Real Estate Investments, or otherwise forming Joint Ventures for purposes of making Real Estate Investments;
- (iii) directly or indirectly through Joint Ventures, acquiring, developing, improving, renovating, remodeling, expanding, managing, owning, leasing, operating, holding, subdividing, exchanging, transferring, assigning, selling and/or disposing of Real Estate Investments;
- (iv) borrowing money or otherwise incurring indebtedness, directly or indirectly through one or more Joint Ventures, for any Partnership purpose, entering into credit facilities, issuing evidences of indebtedness and guarantees, and securing any such evidences of indebtedness and guarantees by pledges or other liens on assets of the Partnership;
- (v) causing the Partnership and all Joint Ventures to perform all of their respective obligations imposed upon them by this Agreement, by law or otherwise (including, without limitation, all obligations relating to or secured by a Real Estate Investment);
- (vi) opening, maintaining, and closing bank, brokerage, and other accounts and draw checks and other orders for the payment of moneys;
- (vii) hiring consultants, advisors, custodians, attorneys, accountants, placement agents, and such other agents and employees of the Partnership, and authorizing each such Person to act for and on behalf of the Partnership;

(viii) bringing, suing, prosecuting, defending settling, or compromising actions and proceedings at law or in equity or before any Governmental Authority;

(ix) maintaining one or more offices and in connection therewith to rent or acquire office space and to engage personnel;

(x) executing, delivering, and performing all agreements in connection with the sale of LP Units, including but not limited to the Subscription Agreements and any Side Letters with one or more Limited Partners;

(xi) incurring all expenditures and paying the Operating Expenses and fees described in Section 4.10;

(xii) subject to compliance with the Investment Company Act, making investments in (A) marketable direct obligations issued or unconditionally guaranteed by the United States, or issued by any agency thereof, maturing within one year from the date of acquisition; (B) money market instruments, commercial paper or other short-term debt obligations rated Aa or P-1 (or the equivalent thereof) or better by Moody's Investors Service Inc. or A-1 (or its equivalent) or better by Standard & Poor's Corporation; (C) certificates of deposit maturing within one year from the date of acquisition, savings accounts, checking accounts, or any combination thereof in banks, in each case, which have total assets of \$100,000,000 or more; and (D) any other securities that the General Partner reasonably determines are appropriate for short term investments;

(xiii) making any and all elections under the Code or any state or local tax law (except as otherwise provided herein), including pursuant to Sections 734(b), 743(b), and 754 of the Code, provided that the General Partner shall not cause the Partnership to make an election to be treated as other than a partnership for United States federal income tax purposes;

(xiv) maintaining cash reserves for anticipated expenses, liabilities, and obligations of the Partnership, whether actual or contingent, in such amounts as the General Partner in its reasonable discretion deems necessary or advisable;

(xv) entering into, performing and carrying out contracts and agreements of any kind necessary, advisable or incidental to the accomplishment of the purposes of the Partnership; and

(xvi) engaging in any other activities incidental or ancillary to the foregoing as the General Partner deems necessary, advisable, or convenient.

(b) The Partnership shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described in this Section 1.5 and for the protection and benefit of the Partnership.

(c) All investments made by the Partnership shall be for the account and at the risk of the Partnership.

Section 1.6 Term. The term of the Partnership commenced on the date the Partnership's certificate of limited partnership was filed with the Secretary of State of the state of Delaware and shall continue in full force and effect through the date of dissolution and termination of the Partnership as provided in Article VIII. At such time as the Partnership is terminated, the General Partner, or if a different Person, the Liquidator, shall file a Certificate of Cancellation as required by the Delaware Act.

Section 1.7 Withdrawing Limited Partner. Upon the admission of one or more Limited Partners to the Partnership on the date of the Initial Closing, the Withdrawing Limited Partner shall (a) receive a return of any amounts contributed by the Withdrawing Limited Partner to the Partnership, (b) withdraw from the Partnership and (c) have no further right, interest, liability, or obligation of any kind whatsoever as a Partner in the Partnership.

Section 1.8 Conflict between Agreement and Statute. This Agreement shall constitute the "limited partnership agreement" (as that term is used in the Delaware Act) of the Partnership. The rights, powers, duties, obligations, and liabilities of the Partners shall be determined pursuant to the Delaware Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Partner are different by reason of any provision of this Agreement than they would be under the Delaware Act in the absence of such provision, this Agreement shall, to the extent permitted by the Delaware Act, control.

Section 1.9 Defined Terms. Capitalized terms used but not defined elsewhere herein shall have the meanings ascribed to such terms as set forth in Article XIV of this Agreement.

ARTICLE II PARTNERS AND CAPITAL

Section 2.1 General Partner.

(a) The name and address of the General Partner is "LIV Development Fund I GP, LLC," a Delaware limited liability company, having an address at 2204 Lakeshore Drive, Suite 450, Birmingham, Alabama 35209.

(b) On the Initial Closing Date, the General Partner and its Affiliates shall, in exchange for LP Units, make a Capital Contribution Commitment to the Partnership equal to at least five percent (5%) of the aggregate Capital Contribution Commitments of the Limited Partners, and the Capital Contribution Commitment of the General Partner and its Affiliates shall be increased at each Subsequent Closing so that at all times it is equal to at least five percent (5%) of the aggregate Capital Contribution Commitments of the Limited Partners (the "GP Commitment"). In exchange for the GP Commitment, the General Partner shall be admitted as a Limited Partner for purposes of owning such LP Units.

(c) The General Partner may also be a Limited Partner to the extent that it purchases LP Units (including the LP Units acquired in exchange for the GP Commitment), or becomes a transferee of all or any part of the LP Units of a Limited Partner, and to such extent shall be treated as a Limited Partner in all respects, except as otherwise provided in this Agreement.

Section 2.2 Limited Partners.

(a) List of Limited Partners. The Persons named in the list maintained by the General Partner in the books and records of the Partnership (the "List of Limited Partners") have been admitted as Limited Partners of the Partnership. The Limited Partners shall make Capital Contributions to the Partnership with respect to LP Units purchased at such times and in such amounts as are set forth in Section 2.6.

(b) Additional Limited Partners. Upon each Closing after the Initial Closing (each such Closing being a "Subsequent Closing", the last of which is referred to as the "Final Closing"), additional Limited Partners ("Additional Limited Partners") will be admitted as Limited Partners upon payment of all amounts required by Section 2.6 below. The General Partner is authorized, but not obligated, to accept additional Subscriptions from existing Limited Partners and to select and admit other Persons to the Partnership as Additional Limited Partners at each Subsequent Closing. Each Person to be admitted as an Additional Limited Partner at a Subsequent Closing

will agree to this Agreement by executing and delivering to the General Partner (i) a Subscription Agreement and (ii) a signature page to this Agreement. The consent or approval of any other Limited Partner shall not be required to admit an Additional Limited Partner or otherwise issue additional LP Units to an Additional Limited Partner at a Subsequent Closing. No Subsequent Closings may occur after the Offering Termination Date, and no Persons may be admitted as Limited Partners after the Offering Termination Date, except as otherwise provided in this Agreement.

Section 2.3 Authorized LP Units. The interests of the Limited Partners in the Partnership shall be represented by Units of Limited Partnership Interest ("LP Units") or fractions thereof. No Person who purchases LP Units as a Limited Partner shall be admitted as a Limited Partner unless and until (i) the Partnership accepts the Subscription for such LP Units, and (ii) the Partnership receives and accepts Subscriptions for LP Units in the Partnership totaling not less than \$30,000,000 (the "Minimum Offering Amount"). Neither the Partnership nor any Joint Venture shall acquire a Real Estate Asset or Real Estate Investment until the Partnership receives and accepts Subscriptions for LP Units totaling not less than the Minimum Offering Amount.

Section 2.4 Registration. Upon the admission of a Person who acquires LP Units as a Limited Partner or substitute Limited Partner, such Person shall be registered on the records of the Partnership (including, without limitation, listing such Limited Partner on the List of Limited Partners), together with such Person's address and the number of LP Units, or fraction thereof, representing such Person's or such Person's transferor's aggregate Capital Contributions and unpaid Capital Contribution Commitment. Each Person registered as a Limited Partner of record shall continue to be the holder of record of such LP Units until such LP Units have been transferred in accordance with the terms of this Agreement. A holder of record shall be entitled to all distributions and all allocations of Net Income and Net Loss with respect to LP Units registered in such Person's name and to all other rights of a Limited Partner until such Person's rights in such LP Units have been transferred in accordance with this Agreement. The Partnership shall not be affected by any notice or knowledge of transfer of any interest in any Unit, except as expressly provided in Article VII. The payment to the holder of record of any distribution with respect to LP Units owned by such holder shall discharge the Partnership's obligations in respect thereto.

Section 2.5 Continuation of Limited Partner Status. Once admitted as a Limited Partner and subject to the provisions of Section 2.7 or Section 7.4, a Person shall continue to be a Limited Partner for all purposes of this Agreement until a substitute Limited Partner is admitted in place of such Person pursuant to the provisions of Section 7.5.

Section 2.6 Capital Contributions of Limited Partners.

(a) Capital Contribution Commitments. Each Limited Partner shall receive one (1) LP Unit, or fraction thereof, per \$250,000 of Capital Contribution Commitments. In furtherance thereof, each Limited Partner agrees and is obligated to make Capital Contributions to the Partnership in an aggregate amount up to such Limited Partner's Capital Contribution Commitment. The List of Limited Partners shall be updated and amended from time to time by the General Partner (without any further consent of the Limited Partners, which consent is hereby waived) to reflect the admission of Additional Limited Partners pursuant to Section 2.2(b) and the admission of substitute Limited Partners pursuant to Section 7.4, as well as to reflect any changes in the Limited Partners' respective Capital Contribution Commitments pursuant to the terms of this Agreement. Each party hereto acknowledges and agrees that upon the written acceptance of a Person's Subscription Agreement by the General Partner or, in the case of the admission of a substitute Limited Partner, the consent of the General Partner to the admission of such Person as a substitute Limited Partner, such Person shall be admitted to the Partnership as a Limited Partner and shall be deemed a party to, and bound by, this Agreement.

(b) Subsequent Closing Payments. For any Additional Limited Partner acquiring new or additional LP Unit(s) ("New LP Units") at a Subsequent Closing, each such Additional Limited Partner will be required to pay to the Partnership at such Subsequent Closing an amount equal to the sum of:

(A) a Capital Contribution (the "True-Up Capital Contribution") in an amount equal to the product of (1) the Capital Contribution Commitment attributable to such Additional Limited Partner's New LP Unit(s) multiplied by (2) a fraction, the numerator of which shall be equal to the aggregate amount of Capital Contributions contributed by all Limited Partners prior to such Subsequent Closing (including amounts advanced under the Subscription Line Facility prior to such Subsequent Closing that are to be repaid from Capital Contributions) that have not been returned pursuant to Section 2.6(g) below or this Section 2.6(b), and the denominator of which shall be equal to the aggregate amount of Capital Contribution Commitments attributable to all LP Units of the Partnership (including all of the New LP Units being issued at such Subsequent Closing); plus

(B) an amount (the "Adjustment Amount") equal to such Additional Limited Partner's Percentage Interest (calculated by taking into account the Capital Contribution Commitments made in exchange for all New LP Units to be issued on such Subsequent Closing) of the interest that would be payable on a debt obligation in an amount equal to all Capital Contributions made by Limited Partners previously admitted to the Partnership prior to such Subsequent Closing (the "Existing Limited Partners"), computed at an annual rate equal to eight percent (8%) per annum for the period from the due date(s) for such Capital Contributions to the date of the Subsequent Closing; plus

(C) a Capital Contribution to the Partnership (the "Subsequent Closing Capital Contribution") in an amount equal to such Additional Limited Partner's Percentage Interest (calculated by taking into account the Capital Contribution Commitment to be made in exchange for all New LP Units to be issued on such Subsequent Closing) of the aggregate Capital Contributions to be contributed to the Partnership on the Subsequent Closing (if any) pursuant to any applicable Capital Call Notice provided for such Subsequent Closing.

(ii) The True-Up Capital Contribution contributed by an Additional Limited Partner at a Subsequent Closing will be distributed to the Existing Limited Partners as a return of prior Capital Contributions (*pro rata* in accordance with the Existing Limited Partner's respective Percentage Interests prior to such Subsequent Closing) and will commensurately increase the remaining unpaid balances of such Existing Limited Partner's Capital Contribution Commitments; *provided that*, for administrative ease, the General Partner may in its sole discretion determine to cause the Partnership to retain, and not distribute, all or a portion of such True-Up Capital Contributions and make adjustments to the remaining unpaid balances of the Capital Contribution Commitments of the Existing Limited Partners accordingly. For all purposes of this Agreement, the True-Up Capital Contribution made pursuant to this Section 2.6(b) and refunded to the Existing Limited Partners will be deemed to have been made by the contributing Partner (and not the refunded Partner) as of the date on which the refunded Partner actually made such prior Capital Contribution.

(iii) The Adjustment Amount contributed by an Additional Limited Partner at a Subsequent Closing shall be distributed to the Existing Limited Partners (*pro rata* in accordance with the Existing Limited Partner's respective Percentage Interests prior to such Subsequent Closing), but such Adjustment Amount distributed to such Existing Limited Partners will not constitute nor be treated as a return of Capital Contributions nor will it increase the remaining unpaid balances of their Capital Contribution Commitments.

(iv) The funding of the Adjustment Amount described above shall not be treated as a Capital Contribution for purposes of (x) satisfying such Limited Partner's Capital Contribution Commitment or reducing such Limited Partner's remaining unpaid balance of its Capital Contribution Commitment, (y) determining such

Limited Partner's Unreturned Capital or such Limited Partner's Internal Rate of Return or (z) any other purpose of this Agreement; provided, however, in the sole discretion of the General Partner, the Adjustment Amount may be treated as a capital contribution solely for tax or accounting purposes. The funding of the True-Up Capital Contribution and the Subsequent Closing Capital Contribution shall be treated as Capital Contributions for all purposes of this Agreement, including calculation of such Additional Limited Partner's remaining unpaid Capital Contribution Commitment. Each Limited Partner acknowledges and agrees that the intent of this Section 2.6(b) is to allow each Additional Limited Partner to obtain an interest (based on the Limited Partner's relative Percentage Interests after taking into account the New LP Units purchased on such Subsequent Closing) in each Real Estate Investment held directly or indirectly by the Partnership at the time such Additional Limited Partner is admitted to the Partnership at the applicable Subsequent Closing, and to cause each Additional Limited Partner to bear its proportionate share (based on the Limited Partner's relative Percentage Interests after taking into account the New LP Units purchased on such Subsequent Closing) of all Operating Expenses paid prior to or concurrently with such Subsequent Closing, in each case for the payments required above. Subject to the forgoing, each Additional Limited Partner on a Subsequent Closing will be treated for purposes of Article III hereof and for purposes of calculation of such Additional Limited Partner's Internal Rate of Return as having been a Limited Partner with respect to such New LP Units as of the Initial Closing. The Limited Partner's respective Percentage Interests will be recalculated on each Subsequent Closing to reflect the New LP Units purchased by Additional Limited Partners on such Subsequent Closing, and the General Partner shall update the List of Partnership Limited Partners to reflect such recalculated Percentage Interests.

(c) Obligation to Make Capital Contributions. Following the applicable Closing, the balance of the amount due in respect of a Limited Partner's Capital Contribution Commitment will be due upon demand, as described in Section 2.6(e) below. Each Limited Partner is unconditionally obligated to pay all or any part of the unpaid balance of its Capital Contribution Commitment when due regardless of any adverse change in the operations of the Partnership. No Limited Partner shall be required to make Capital Contributions to the Partnership in excess of such Limited Partner's Capital Contribution Commitment, except those that they individually agree to make. No Limited Partner shall be required to make Capital Contributions to the Partnership to the extent that the unpaid portion of their Capital Contribution Commitment has not been called by the General Partner on or prior to the expiration of the Investment Period except as provided in Section 2.6(e). Capital Contribution Commitments (including Recalled Capital Amounts) called by the General Partner under this Agreement may be used to fund (x) new Real Estate Investments approved by the Investment Committee; (y) additional capital required by Real Estate Investments; and (z) Operating Expenses of the Partnership or a Joint Venture, including, without limitation, repayment of amounts owed on the Subscription Line Facility and payment of fees and expenses owed to the General Partner and/or its Affiliates hereunder.

(d) Omitted.

(e) Capital Calls. The General Partner may at any time, and from time to time, on or after the Initial Closing and continuing until the expiration of the Investment Period, upon at least seven (7) Business Days prior written notice of the date upon which an amount is to be due (each, a "Capital Call Notice"), demand all or any portion of any remaining unpaid balance of a Limited Partner's Capital Contribution Commitment (including, without limitation, any Recalled Capital Amounts received by such Limited Partner); *provided*, that the General Partner shall have the right to demand and provide a Capital Call Notice for all or a portion of a Limited Partner's remaining Capital Contribution Commitment (and any Recalled Capital Amounts) after the expiration of the Investment Period if necessary (i) to fund Operating Expenses as needed if the Partnership's or Joint Venture's cash flow does not cover such expenses, and (ii) to fund Real Estate Investments that have been identified and are under an executed letter of intent and/or purchase agreement as of the expiration of the Investment Period. Notwithstanding anything herein to the contrary, (y) the General Partner will not demand any amount from a

Limited Partner unless such demand is made on all the Limited Partners, *pro rata*, based on the unpaid balances of the Capital Contribution Commitments (including Recalled Capital Amounts) of the Limited Partners and (z) the unpaid Capital Contribution Commitment of a Limited Partner shall be due and payable no later than the date on which there is an Event of Acceleration, as hereinafter defined. Any Capital Contribution in respect of which a Capital Call Notice has been delivered may be rescinded or postponed by the General Partner one or more times in its sole discretion.

(f) Deficiency Capital Contributions. In the event that any Limited Partner fails to make all or any portion of any Capital Contribution when due (a "Default Capital Contribution"), the General Partner may, but will not be obligated to, call for additional or supplemental Capital Contributions ("Deficiency Capital Contributions") from the Limited Partners (other than the Defaulting Limited Partner that failed to fund its Default Capital Contribution) in an aggregate amount equal to such unpaid Default Capital Contribution. If the General Partner determines that Deficiency Capital Contributions are required, the General Partner shall send a new Capital Call Notice in accordance with Section 2.6(e) in the aggregate amount of the Default Capital Contribution. Each Limited Partner (other than the Defaulting Limited Partner that failed to fund its Default Capital Contribution) shall make a Deficiency Capital Contribution within ten (10) Business Days after issuance of such Capital Call Notice in an amount equal to its Percentage Interest (without taking into consideration the LP Units then owned made by the Defaulting Limited Partner that failed to fund its Default Capital Contribution) of the amount of the Default Capital Contribution. Any Deficiency Capital Contribution made by a Limited Partner pursuant to this Section 2.6(f) shall reduce the unpaid Capital Contribution Commitment of such Limited Partner. Additionally, if Deficiency Capital Contributions are made by the Limited Partners pursuant to this Section 2.6(f), the following shall automatically take place without the consent or further action of any Limited Partner: (i) the Capital Contribution Commitment of the Defaulting Limited Partner shall be reduced by the aggregate amount of such Deficiency Capital Contributions; (ii) the number of LP Units owned by the Defaulting Limited Partner shall be reduced by an amount equal to (A) the aggregate amount of such Deficiency Capital Contributions divided by (B) \$250,000; (iii) the respective Percentage Interests of the Limited Partners shall be adjusted to reflect the Capital Contributions made pursuant to this Section 2.6(f); and (iv) the General Partner shall update the List of Limited Partners to reflect the Defaulting Limited Partner's reduced Capital Contribution Commitment and number of LP Units and the adjusted Percentage Interests of all the Limited Partners. The rights and procedures set forth in this Section 2.6(f) are in addition to, and not in lieu of, the remedies available to the General Partner under Section 2.7 as a result of the Defaulting Limited Partner's failure to fund its Default Capital Contribution when due.

(g) Returned Capital Contributions. If the General Partner promptly determines, after receipt of Capital Contributions from Limited Partners, that all or a portion of such amount is not at that time required by the Partnership because the contemplated use of such Capital Contributions has not materialized, such amount may be refunded by the Partnership to the Limited Partners, and such amount shall (i) be considered to never have been paid to the Partnership, (ii) continue to be owing as unpaid Capital Contribution Commitments, and (iii) not be reflected or recorded in the capital accounts of the Limited Partners for purposes of determining or calculating any allocations, distributions or rates of return.

(h) Uninvested Capital Contributions. Capital Contributions of Limited Partners not invested directly or indirectly in Real Estate Investments or used to pay Operating Expenses shall only be invested in cash and/or Money Market Investments; provided, however, investments in Money Market Investments may only be made after the General Partner determines that such investments will not result in an adverse consequences under the Investment Company Act or other applicable law.

(i) Subscription Line Facility.

(i) The General Partner is hereby authorized, but not required, to cause the Partnership to enter into financing arrangements (each, a "Subscription Line Facility") with one or more financial institutions or other lenders (each, a "Subscription Line Lender") for the purpose of meeting the cash requirements of the Partnership (including, without limitation, the acquisition of Real Estate Investments) pending the Partnership's receipt of Capital Contributions pursuant to Capital Call Notices to be given to the Limited Partners. Notwithstanding any provision contained herein to the contrary, the General Partner is authorized, in its sole discretion, without obtaining the consent of any of the Limited Partners, to pledge, mortgage, assign and transfer to the Subscription Line Lender(s) its rights to require the Limited Partners to make Capital Contributions hereunder by sending a Capital Call Notice therefor, and all other rights, titles, powers and privileges related to, appurtenant to or arising out of the General Partner's right to (A) require or demand that Limited Partners make Capital Contributions pursuant to Capital Call Notices, (B) receive Capital Contributions, and (C) exercise remedies under this Agreement, the Subscription Agreements, or applicable law, including without limitation those rights and remedies contemplated in this Agreement for failure to fund a required Capital Contribution; *provided* that any Capital Contribution made by a Limited Partner pursuant to the exercise of such rights shall reduce such Limited Partner's unpaid balance of its Capital Contribution Commitment by the amount of such Capital Contribution. Each Limited Partner agrees that (1) if a Subscription Line Lender shall so request, such Limited Partner shall confirm to such Subscription Line Lender the amount of such Limited Partner's Capital Contribution Commitment, the portions thereof that have been funded, the portion thereof that remains unfunded and any other relevant matters reasonably relating to such Capital Contribution Commitment; (2) such Limited Partner will honor all Capital Call Notices, if any, made by a Subscription Line Lender as assignee of the General Partner under the Subscription Line Facility; (3) such Limited Partner will use reasonable efforts to provide estoppels and/or other written documents required by the General Partner and/or a Subscription Line Lender to evidence such Limited Partner's agreements under this Section 2.6; (4) the Subscription Line Facility shall be secured by, among other things, the Capital Contribution Commitments of the Limited Partners; (5) if requested by a Subscription Line Lender, such Limited Partner will provide financial information reasonably satisfactory to the Subscription Line Lender in connection with the Subscription Line Facility; and (6) obligations under the Subscription Line Facility shall be payable by the Partnership from any source, including Capital Contributions, proceeds from Real Estate Investments, Available Cash and other revenues of any character. The General Partner agrees that it shall not cause the Partnership to incur debt under the Subscription Line Facility in an aggregate outstanding amount that exceeds the lesser of (x) eighty percent (80%) of the aggregate Capital Contribution Commitments that remain unpaid and available to be called under the Limited Partner's Capital Contribution Commitments and (y) the limit imposed by the Subscription Line Lender.

(ii) Provided that nothing contained in this Section 2.6(i) shall increase the amount of any Limited Partner's Capital Contribution Commitment, each Limited Partner hereby agrees that its obligation to pay Capital Contributions for purposes of repayment of obligations of the Partnership under any Subscription Line Facility is absolute and unconditional, and that Capital Contributions called for such purpose shall be paid in full by such Limited Partner irrespective of any defense, reduction, set-off, counterclaim or other claim or right of any kind (each, a "Defense") that the Limited Partner may at any time have against the Partnership, the General Partner or any other Person for any reason, each of which Defenses each Limited Partner waives to the fullest extent permitted by applicable laws in favor of each Subscription Line Lender.

Section 2.7 Default by Limited Partners.

(a) Each of the following shall constitute an event of default (each, a "Default") under this Agreement:
(i) the failure of a Limited Partner to pay all or any portion of such Limited Partner's Capital Contribution

Commitment when due, (ii) the failure of a Limited Partner to pay any other amount hereunder when due or (iii) the commencement of a proceeding in Bankruptcy or insolvency by or against a Limited Partner when there are still unpaid amounts of such Limited Partner's Capital Contribution Commitment, which proceeding, if involuntary, is not dismissed within 90 days. The Partnership shall give notice of a Default to the Limited Partner subject to such Default (the "Defaulting Limited Partner"). If the Defaulting Limited Partner fails to pay the amount due within five (5) Business Days following the date of such notice sent by the Partnership to the Defaulting Limited Partner, the General Partner may, at its option, and without further notice, and in the case of a Default resulting from a Bankruptcy or insolvency proceeding having been commenced as referred to above, the General Partner shall, without further notice, take one or more of the following actions:

(i) accelerate and declare to be immediately due and payable the full unpaid amount of such Defaulting Limited Partner's Capital Contribution Commitment;

(ii) charge interest on the unpaid balance of any overdue Capital Contribution Commitment or other amount payable hereunder at an individual rate equal to the Prime Rate plus five percent (5%) per annum, from the date such balance became due and payable through the date full payment of such balance is actually made; provided, however, that no such payment of interest will constitute a Capital Contribution or reduce such Limited Partner's unpaid Capital Contribution Commitment;

(iii) charge the Defaulting Limited Partner a late fee equal to ten percent (10%) on the unpaid balance of any overdue Capital Contribution Commitment or other amount payable hereunder from the date such balance became due and payable through the date full payment of such balance is actually made; provided, however, that no such payment of a late fee will constitute a Capital Contribution or reduce such Limited Partner's unpaid Capital Contribution Commitment;

(iv) cause any distributions otherwise payable to the Defaulting Limited Partner under this Agreement to be withheld from such Defaulting Limited Partner and set off and applied against outstanding amounts owed by such Defaulting Limited Partner hereunder;

(v) reduce the Capital Contribution Commitment and number of LP Units owned by such Defaulting Limited Partner in accordance with Section 2.6(f) above; or

(vi) exercise all rights of a secured creditor at law (including with respect to the Pledged Collateral under the UCC) or in equity, including the right to sell all or a portion of the LP Units held by the Defaulting Limited Partner to the Partnership or another Person (including, without limitation, an existing Limited Partner or any Affiliate of a Limited Partner) at such price and on such other terms as the General Partner deems appropriate and as required by this Agreement.

(b) The proceeds received by the Partnership from the sale of a Defaulting Limited Partner's LP Units shall be applied in the following order:

(i) To the payment of the expenses of the sale, including any selling commission;

(ii) To the payment of the expenses of the Partnership resulting from the Default, including penalties, if any, and reasonable attorneys' fees and costs;

(iii) To the payment of all amounts due from the Defaulting Limited Partner to the Partnership as a Capital Contribution Commitment or other payment hereunder;

(iv) To the Defaulting Limited Partner, an amount up to fifty percent (50%) of the amount the Defaulting Limited Partner previously contributed to the Partnership less any distributions previously made to the Defaulting Limited Partner; and

(v) Any remainder to the Partnership.

(c) Without limiting the generality of Section 2.7(a)(vi) above, as it is difficult to determine a commercially reasonable price and terms for the sale of a Defaulting Limited Partner's LP Units as a result of, among other things, the restrictions on transfers of, and the limited market for, the LP Units, the Limited Partners agree that a sale of the LP Units held by a Defaulting Limited Partner at the following price and on the following terms is commercially reasonable:

(i) a purchase price equal to the lesser of: (x) the fair market value of such LP Units as determined by the General Partner in its sole discretion (including, without limitation, in the determination of fair market value, the assumption of the Defaulting Limited Partner's obligations) or (y) fifty percent (50%) of the Defaulting Limited Partner's Capital Account, and (2) in the case of both (x) and (y) above, an agreement to assume the obligations of the Defaulting Limited Partner to pay its unpaid Capital Contribution Commitment; and

(ii) terms including payment of such purchase price by (1) delivery of cash, check or by wire transfer of immediately available funds to such account as the Partnership shall designate such portion of the purchase price allocable Section 2.7(b)(i), Section 2.7(b)(ii), Section 2.7(b)(iii) and Section 2.7(b)(v) and (2) delivery of a non-interest bearing, non-recourse promissory note payable to the Defaulting Limited Partner at the expiration of twelve (12) months of such portion of the purchase price allocable to Section 2.7(b)(iv).

(d) Provided that nothing contained in this Section 2.7 shall increase the amount of any Limited Partner's Capital Contribution Commitment or act as a waiver of any right of any Limited Partner to assert independently in a separate action any claim it may have against the Partnership, each Limited Partner hereby agrees that its obligation to pay Capital Contributions for purposes of repayment of obligations of the Partnership under any Subscription Line Facility is absolute and unconditional, and that Capital Contributions called for such purpose shall be paid in full by such Limited Partner irrespective of any defense, reduction, set-off, counterclaim or other claim or right of any kind (each, a "Defense") that the Limited Partner may at any time have against the Partnership, the General Partner or any other Person for any reason, each of which Defenses each Limited Partner waives to the fullest extent permitted by applicable laws in favor of each Subscription Lender.

(e) To secure each Limited Partner's obligations and liabilities to the Partnership under this Agreement (including, without limitation, its obligation to fund Capital Contributions hereunder), each Limited Partner hereby grants to the Partnership and its assigns a security interest under the Uniform Commercial Code as enacted in the state where such Limited Partner resides or is otherwise "located" under the UCC in (i) such Limited Partner's LP Units and (ii) all distributions, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for such Limited Partner's LP Units (collectively, the "Pledged Collateral"). Each Limited Partner shall take such actions as the General Partner shall request in order to perfect or enforce the security interest granted by such Limited Partner hereunder. Each Limited Partner's obligations hereunder shall survive the dissolution, liquidation or winding up of the Partnership or the transfer of its LP Units. Unless and until a Default has occurred and except as otherwise provided in this Agreement, (x) all distributions of Available Cash under Section 3.1(a) or other amounts payable in respect of the LP Units of a Limited Partner under this Agreement shall be paid to the Limited Partner and (y) a Limited Partner shall be entitled to vote the Pledged Collateral and to give consents and waivers with respect thereto.

(f) In addition to the remedies provided in this Agreement, the Partnership may at any time avail itself of any or all legal remedies that may be available to the Partnership, including any rights of a secured creditor under the UCC and any other laws of applicable jurisdiction to compel payment by the Defaulting Limited Partner of any unpaid portion of its Capital Contribution Commitment, other amounts due under this Agreement, and any reasonable court costs, damages, expenses and attorneys' fees. If any Person purchases the Defaulting Limited Partner's LP Units, the Defaulting Limited Partner (notwithstanding the fact that such Defaulting Limited Partner shall no longer be a Limited Partner) shall be relieved of its obligation to make any payment due hereunder only to the extent such payments are actually made by the purchaser of the Defaulting Limited Partner's LP Units.

(g) Upon the occurrence of a Default by a Limited Partner, all rights and benefits attributable to the LP Units held by such Defaulting Limited Partner will be suspended until such Defaulting Limited Partner has cured its Default or the purchaser of its LP Units has been admitted to the Partnership as a Limited Partner (such purchaser not to be deemed a Defaulting Limited Partner with respect to the Default of the Defaulting Limited Partner from whom such LP Units were purchased). During any such suspension period, the Net Income, Net Losses and credits allocable, and the cash distributable under Article III, to the Defaulting Limited Partner shall be allocated or distributed among the non-defaulting Limited Partners in such manner as the General Partner may determine, and the Defaulting Limited Partner will have no voting or other rights attributable to its LP Units. If the Partnership purchases any of the Defaulting Limited Partner's LP Units, one-half of the cash distributable thereafter with respect to the Defaulting Limited Partner's LP Units under Article III shall be distributed among the non-defaulting Limited Partners, and the remaining one-half shall be retained by the Partnership and reserved for payment of any note delivered by the Partnership to purchase the Unit(s) pursuant to Section 2.7(a) above.

(h) No transfer of the LP Units held by a Defaulting Limited Partner may be made pursuant to this Section 2.7 without compliance with the provisions of Article VII.

(i) Each Limited Partner agrees that it shall be liable to the Partnership and the non-defaulting Limited Partners for, and shall indemnify and hold harmless such parties and their respective Limited Partners, partners, employees, agents, representatives and affiliates, against, all damages that may result to such parties from a Default by such Limited Partner, including, without limitation, reasonable attorneys' fees and court costs, and that such Defaulting Limited Partner shall continue to be liable for such damages regardless of whether such Defaulting Limited Partner's LP Units are purchased pursuant to this Section 2.7 or otherwise.

Section 2.8 Limited Liability of Limited Partner. No Limited Partner, in its capacity as such, shall be liable for the debts, liabilities, contracts or any other obligations of the Partnership. Except as expressly provided in this Article II or in Section 3.1(f), no Limited Partner shall be obligated to make contributions to the capital of the Partnership or other payments to the Partnership or the General Partner. A Limited Partner shall not be required to restore a deficit balance in its Capital Account, and no Limited Partner shall have any personal liability for the repayment of any Capital Contributions of any other Limited Partner.

Section 2.9 Withdrawal of Capital Contributions. Although the Partnership may make distributions to the Limited Partners during the term of the Partnership in return of their Capital Contributions, no Limited Partner, in such Limited Partner's capacity as such, shall have the right to withdraw or to demand a return of any of such Limited Partner's Capital Contribution or Capital Account without the consent of the General Partner, except upon dissolution and winding up of the Partnership. Any such return of a Limited Partner's Capital Contribution or Capital Account shall be made solely from the assets of the Partnership (including the Capital Contributions of the Limited Partners) and only in accordance with the terms hereof, and neither the General Partner nor any other Limited Partner shall have personal liability for the return of any other Limited Partner's Capital Contribution. Under circumstances requiring a return of any Capital Contribution, no Limited Partner shall

have the right to receive property other than cash except as may be specifically provided herein and, to the extent any monies which any Limited Partner is entitled to receive pursuant to Article III or any other provision of this Agreement would constitute a return of such Limited Partner's Capital Contribution, each of the Limited Partners consents to the withdrawal of such Capital Contribution.

Section 2.10 Interest on Capital. Interest, if any, earned on Partnership funds shall inure to the benefit of the Partnership. No interest shall accrue or be paid on any Capital Contribution made to the Partnership (other than as provided in Section 2.6(b)(B)) or Capital Accounts. The General Partner shall have no obligation to keep Partnership funds in an interest-bearing account.

Section 2.11 Capital Account Maintenance. The Partnership shall maintain a separate capital account (a "Capital Account") for each Partner in accordance with the principles and requirements set forth in Section 704(b) of the Code and the Regulations. The Capital Account of each Partner shall be (a) credited with (i) the Capital Contributions contributed to the Partnership by such Partner, (ii) all income, gain, or Net Income of the Partnership allocated to such Partner pursuant to Section 3.1(f) and, without duplication, any items in the nature of income or gain that are specially allocated pursuant to Section 3.3 or otherwise pursuant to this Agreement, and (b) debited with (i) all Net Losses allocated to such Partner pursuant to Section 3.1(f) and, without duplication any items in the nature of deductions, expenses, or losses that are specially allocated to such Partner pursuant to Section 3.3 or otherwise pursuant to this Agreement, and (ii) all cash and the Gross Asset Value of any property (net of liabilities assumed by such Partner or the liabilities to which such property is subject) distributed by the Partnership to such Partner. To the extent not provided for in the preceding sentence, the Capital Accounts of the Partners shall be adjusted and maintained in accordance with the rules of Treasury Regulations Section 1.704-1(b)(2)(iv), as the same may be amended or revised, and in the event that the treatment called for in such Treasury Regulation is inconsistent with the provisions of this Agreement, the rules of the aforementioned Treasury Regulation shall control. In determining the amount of any liability for purposes of clauses (a) and (b) above, there will be taken into account Code Section 752(c) and any other applicable provisions of the Code and Treasury Regulations. Any reference in any section of this Agreement to the Capital Account of a Limited Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above.

Section 2.12 Other Capital Account Rules.

(a) In the event that an Interest is Transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent that it relates to the transferred Interest and shall receive allocations and distributions pursuant to Article VIII in respect of such Interest.

(b) No Partner shall be required to pay to the Partnership or to any other Partner the amount of any negative balance which may exist from time to time in such Partner's Capital Account. No Partner will have any obligation to restore a deficit balance in its Capital Account upon the dissolution and liquidation of the Partnership.

(c) In the event the General Partner determines in good faith and on a commercially reasonable basis that it is prudent to modify the manner in which the Capital Accounts or any debits or credits thereto are computed in order to comply with Treasury Regulations Section 1.704-1(b), the General Partner may make such modification. The General Partner also shall, in good faith and on a commercially reasonable basis, (1) make any adjustments to the Capital Accounts that are necessary or appropriate to maintain equality between the aggregate Capital Accounts of the Partners and the amount of capital reflected on the Partnership's balance sheet, as computed for book purposes, in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(q), and (2) make

any appropriate modifications to the Capital Accounts in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulations Section 1.704-1(b).

ARTICLE III DISTRIBUTIONS AND ALLOCATIONS

Section 3.1 **Distributions.**

(a) Distribution Priority. The Partnership will distribute Available Cash to the Partners in the following order of priority:

 (i) First, 100% to the Partners, *pari passu* and pro rata in proportion to their Percentage Interests, until distributions to each Partner on a cumulative basis pursuant to this clause (i) equal each such Partner's Capital Contributions;

 (ii) Second, 100% to the Partners that have any accrued and unpaid Preferred Return, *pari passu* and pro rata in proportion to their Percentage Interests, until distributions to each Partner on a cumulative basis pursuant to this clause (ii) equal the Preferred Return for each such Partner; and

 (iii) Thereafter, 100% to the Partners, *pari passu* and pro rata in proportion to their Percentage Interests.

(b) Tax Distributions. The General Partner is under no obligation to make, annually or otherwise, a cash advance against distributions of amounts to the Partners for payment of their respective tax liabilities attributable to their Interest in the Partnership. Future distributions to any Partner that receives a cash advance against distributions pursuant to this Section 3.1(b) shall be reduced by the amount of any prior advances made to such Partner.

(c) Withholding. The Partnership may withhold on distributions or allocations or portions thereof, or consent to withholding on distributions or allocations to the Partnership, if it is required to do so by any applicable governmental rule, regulation, or law or if such rules permit the Partnership to discharge its withholding obligation by authorizing a withholding agent to withhold on distributions or allocations from the Partnership. Each Limited Partner hereby authorizes the Partnership to withhold from or pay on behalf of or with respect to such Limited Partner any amount of federal, state, local or foreign taxes that the General Partner reasonably determines that the Partnership is required to withhold or pay with respect to any amount distributable or allocable to such Limited Partner pursuant to this Agreement, reduced to reflect eligibility for an exemption or reduction evidenced by properly completed documentation. Any amounts so withheld or paid on behalf of or with respect to a Limited Partner pursuant to this Section 3.1, including any amounts withheld on distributions or allocations from the Partnership (to the extent such amounts are treated as taxes paid by the Limited Partners and separately stated on reports delivered by the Partnership to each Limited Partner) shall be deemed to have been distributed to such Limited Partner. To the extent that the cumulative amount of such withholding for any period exceeds the distributions to which such Limited Partner is entitled for such period, the amount of such excess, at the option of the General Partner, shall be considered a loan from the Partnership to such Limited Partner, with interest at the Prime Rate (*provided, however, that any income derived from such deemed loan shall not be allocated to or distributed to the Limited Partner requiring such loan*), until discharged by such Limited Partner by repayment, which may, at the option of the General Partner, be satisfied (i) out of distributions to which such Limited Partner would otherwise be subsequently entitled under this Agreement, or (ii) by the immediate payment in cash to the Partnership of such excess amount. The General Partner, on behalf of the Partnership, shall be entitled to take any other action it determines to be necessary or appropriate in

connection with any obligation or possible obligation to impose withholding pursuant to any tax law or to pay any tax with respect to a Limited Partner. Unless prohibited by applicable law, each Limited Partner hereby unconditionally and irrevocably grants to the Partnership a security interest in such Limited Partner's entire Pledged Collateral to secure such Limited Partner's obligation to pay to the Partnership any amounts required to be paid pursuant to this Section 3.1(c). Each Limited Partner shall take such actions as the General Partner shall request in order to perfect or enforce the security interest created hereunder. Each Limited Partner's obligations hereunder shall survive the dissolution, liquidation or winding up of the Partnership or the transfer of its LP Units.

(d) Recalled Capital Amount. Capital Proceeds that have been distributed to the Limited Partners under Section 3.1(a) (collectively, "Recalled Capital Amounts") will be subject to further capital calls by the General Partner for Real Estate Investments identified during the Investment Period; *provided, however*, Recalled Capital Amounts from a Capital Transaction shall be limited to the aggregate Capital Contributions made by the Limited Partners to fund the Real Estate Investment that was the subject of such Capital Transaction. In the event a Real Estate Investment is comprised of multiple distinct assets and less than all of such Real Estate Investment is disposed of in a Capital Transaction, the General Partner will, in its reasonable discretion, allocate the Capital Contributions used to fund such Real Estate Investment amongst the multiple distinct assets comprising such Real Estate Investment, and each distinct asset shall for purposes of this Section 3.1(c) be deemed separate Real Estate Investments when calculating the applicable Recalled Capital Amount. Recalled Capital Amounts may be called by the General Partner under Section 2.6(c) by providing a Capital Call Notice to the Limited Partners. The amount of a Limited Partner's remaining unpaid Capital Contribution Commitment shall be increased by all Recalled Capital Amounts received by such Limited Partner under Section 3.1(a) until called by the General Partner under Section 2.6(c).

(e) Timing of Distributions. Subject to limitations imposed by lenders to the Fund or Joint Ventures, the General Partner intends to make distributions of Available Cash within a reasonable period of time following the Partnership's receipt of such amounts, as determined in the sole discretion of the General Partner, in an amount that would result in the Partnership achieving the targeted returns set forth in the Memorandum; *provided, however* (i) the General Partner does not currently intend to make any distributions prior to the earlier of: (A) the Final Closing; or (B) the Offering Termination Date and (ii) if the General Partner determines, in its sole discretion, that there is not sufficient Available Cash to make any quarterly distribution, the General Partner will not be required to make such distribution.

(f) Distributions Related to Dispositions of Real Estate Investments. To facilitate the distribution of Capital Proceeds received by the Partnership in connection with a disposition of a Real Estate Investment or other transaction consummated pursuant to agreements that contain a continuing obligation by the Partnership to return all or some portion of such Capital Proceeds as a result of an indemnification or similar obligation (for example, indemnification for breach of a representation or warranty) on the part of the Partnership or the applicable Joint Venture arising out of such disposition or other transaction, the General Partner may cause the Partnership to distribute Available Cash to the Limited Partners in accordance with Section 3.1(a) above subject to the requirement that all or a portion of such Available Cash be returned to the Partnership upon no less than ten (10) Business Days' prior written notice from the General Partner if necessary to cause the Partnership or the applicable Joint Venture to satisfy such continuing obligation, at such times and in such amounts as shall be specified in one or more notices issued by the General Partner to the Limited Partners; *provided, however*, (i) in no event shall a Limited Partner's obligation to return amounts pursuant to this Section 3.1(f) exceed the amount of the distribution for which it relates and (ii) no Limited Partner shall be required to return any distributions under this Section 3.1(f) after two (2) years from the date of receipt of such distribution. Each Limited Partner will be required to return its Percentage Interest (as of the time of the distribution for which it relates) of the total amount called by the General Partner pursuant to this Section 3.1(f) for such continuing obligation. Amounts paid by a

Limited Partner pursuant to this Section 3.1(f) shall be treated for purposes of this Agreement as a reduction in the amount of distributions received by such Limited Partner and not as a Capital Contribution by such Limited Partner (and, accordingly, the prior distribution of such amount shall be disregarded for purposes of calculating any Preferred Return, or other calculation pursuant to this Agreement); *provided*, however, the failure to make a required payment under this Section 3.1(f) by any Limited Partner may, in the General Partner's sole discretion, be treated as a Default hereunder and the provisions and remedies under Section 2.7 shall be available to the General Partner as a result of such Default. A Limited Partner's obligation to return all or a portion of a prior distribution under this Section 3.1(f) shall, subject to the time limitation set forth above, survive the dissolution and winding up of the Partnership. The provisions of this Section 3.1(f) shall not be construed or interpreted as creating, implying or serving as the basis of any claim or interest on behalf of, or otherwise incurring to the benefit of, any creditor of the Partnership, any Limited Partner or the General Partner.

Section 3.2 Allocation of Net Income and Net Losses and Special Allocations.

(a) General Allocations. Net Income and Net Losses and items thereof shall be determined and allocated with respect to each fiscal year (or portion thereof) of the Partnership as of the end of such fiscal year and at any time the Gross Asset Values of the Partnership's assets are adjusted pursuant to subsection (b) or subsection (c) of the definition thereof, and more often as required hereby or by the Code. Subject to the other provisions of this Article III, Net Income and Net Loss for any fiscal year or other period shall be allocated in a manner such that the Capital Account balances of each of the Partners shall be, as nearly as possible, equal (proportionately) to (i) the amount that each Partner would have been entitled to receive pursuant to Section 3.1(a) if the Partnership were liquidated at such time and liquidating distributions were governed by Section 8.2(c), assuming that all of the Partnership's assets were sold for cash equal to their respective Gross Asset Values and all Partnership liabilities were satisfied (limited with respect to each Nonrecourse Liability to the Gross Asset Value of the Partnership's assets securing such liability), minus (ii) such Partner's share of Partnership Minimum Gain and Partner Minimum Gain, computed immediately before the hypothetical sale of Partnership's assets. Notwithstanding the foregoing, the General Partner may make such allocation as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account such facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 3.3 Regulatory Allocations. Notwithstanding the provisions of Section 3.2, the following special allocations shall be made in the following order of priority:

(a) Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain during a Partnership taxable year, then each Partner shall be specially allocated items of Partnership Net Income for such taxable year (and, if necessary, for subsequent years) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g)(2). This Section 3.3(a) is intended to comply with the minimum gain chargeback requirement of Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Partner Minimum Gain Chargeback. If there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership taxable year, each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Partnership Net Income for such taxable year (and, if necessary, subsequent years) in an amount equal to such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with the provisions of Treasury Regulations Section 1.704-2(i)(4). This Section 3.3(b) is intended to comply with the

partner nonrecourse debt minimum gain chargeback requirement of Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. If any Partner unexpectedly receives an adjustment, allocation or distribution of the type contemplated by Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Net Income shall be allocated to all such Partners (in proportion to the amounts of their respective Adjusted Capital Account Deficits) in an amount and manner sufficient to eliminate their respective Adjusted Capital Account Deficits as quickly as possible. It is intended that this Section 3.3(c) qualify and be construed as a “qualified income offset” within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d).

(d) Limitations on Allocation of Net Losses. If the allocation of Net Losses to a Partner as provided in Section 3.1(f) would create or increase an Adjusted Capital Account Deficit, there shall be allocated to such Partner only that amount of Net Losses as will not create or increase an Adjusted Capital Account Deficit. The Net Losses that would, absent the application of the preceding sentence, otherwise be allocated to such Partner shall be allocated to the other Partners in accordance with their relative Percentage Interests in the Partnership, subject to the limitations of this Section 3.3(d).

(e) Section 743(b) and Section 743(b) Adjustments. To the extent that an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 743(b) or Code Section 734(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or, in the case of a distribution to a Partner in complete liquidation of its Interest in the Partnership, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Partners in accordance with their relative Percentage Interests in the Partnership in the event that Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Partners to which such distribution was made in the event that Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(f) Nonrecourse Deductions and Partner Nonrecourse Deductions. The Nonrecourse Deductions for each taxable year of the Partnership shall be allocated to the Partners in proportion to their respective Percentage Interests. The Partner Nonrecourse Deductions shall be allocated each year to the Partner that bears the economic risk of loss (within the meaning of Treasury Regulations Section 1.752-2) for the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable.

(g) Curative Allocations. The allocations set forth in Section 3.3(a), Section 3.3(b), Section 3.3(c), Section 3.3(d), and Section 3.3(f) (collectively, the “Regulatory Allocations”) are intended to comply with certain requirements of Treasury Regulations Sections 1.704-1(b) and 1.704-2(i). Notwithstanding the provisions of Section 3.2, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Partners so that, to the extent possible, the net amount of such allocations of other items and the Regulatory Allocations to each Partner shall be equal to the net amount that would have been allocated to each such Partner if the Regulatory Allocations had not occurred. Therefore, notwithstanding any other provision of this Article III (other than the Regulatory Allocations) to the contrary, the General Partner may make such offsetting special allocations of income, gain, loss or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Partner's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Partner would have had if the Regulatory Allocations were not part of the Agreement and all Partnership items were allocated pursuant to the general allocation provisions.

Section 3.4 **Tax Allocations.**

(a) Except as provided in Section 3.4(b), for income tax purposes under the Code and the Treasury Regulations, each Partnership item of income, gain, loss and deduction shall be allocated among the Partners in the same manner as the Partnership's correlative item of "book" income, gain, loss or deduction is allocated pursuant to this Article III.

(b) Tax items with respect to a Partnership asset that is contributed to the Partnership with an initial Gross Asset Value that varies from its basis in the hands of the contributing Partner immediately preceding the date of contribution shall be allocated among the Partners for income tax purposes pursuant to Treasury Regulations promulgated under Code Section 704(c) so as to take into account such variation. The Partnership shall account for such variation under any method approved under Code Section 704(c) and the applicable Treasury Regulations as chosen by the General Partner. If the Gross Asset Value of any Partnership asset is adjusted subsequent to its contribution pursuant to the definition of "Gross Asset Value", subsequent allocations of income, gain, loss and deduction with respect to such Partnership asset shall take account of any variation between the adjusted basis of such Partnership asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Treasury Regulations promulgated thereunder using any method approved under Code Section 704(c) and the applicable Treasury Regulations as chosen by the General Partner. Allocations pursuant to this Section 3.4(b) are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Partner's Capital Account or share of Net Income, Net Losses and any other items or distributions pursuant to any provision of this Agreement.

Section 3.5 **Tax Credits.** Allocations of tax credits, tax credit recapture, and any items related thereto shall be allocated to the Partners according to their interests in such items as determined by the General Partner taking into account the principles of Treasury Regulations Sections 1.704-1(b)(4)(ii) and 1.704-1(b)(4)(viii).

Section 3.6 **Other Allocation Rules.**

(a) Allocations in the Case of Transfer. For any fiscal year during which any part of a Unit is transferred among the Limited Partners or to another Person, the portion of the Net Income, Net Losses and other items of income, gain, loss, deduction and credit that are allocable with respect to such part of such Unit shall be apportioned between the transferor and the transferee under any method allowed pursuant to Section 706 of the Code and the applicable Treasury Regulations as determined by the General Partner.

(b) Excess Nonrecourse Liabilities. For purposes of determining a Partner's proportional share of the Partnership's "excess nonrecourse liabilities" within the meaning of Treasury Regulations Section 1.752-3(a)(3), each Partner's interest in income and gain shall be such Partner's Percentage Interest.

(c) Payee Allocation. In the event any payment to any Person that is treated by the Partnership as the payment of an expense is recharacterized by a Taxing Authority as a Partnership distribution to the payee as a partner, such payee shall be specially allocated an amount of Partnership gross income and gain as quickly as possible equal to the amount of the distribution.

(d) Timing. Net Income, Net Loss, and any other items of income, gain, loss, or deduction will be allocated to the Partners pursuant to this Article III as of the last day of each taxable year; provided that Net Income, Net Loss, and such other items will also be allocated at such times as the Gross Asset Values of Partnership assets are adjusted pursuant to clause (b) of the definition of "Gross Asset Value."

ARTICLE IV
GENERAL PARTNER AND MANAGEMENT OF THE FUND

Section 4.1 General Partner.

(a) General. Subject to the provisions of this Agreement, the General Partner (acting directly or through its duly appointed agents or delegees) shall have the absolute, exclusive and complete right, power, authority, obligation, and responsibility vested in or assumed by a general partner of a limited partnership under the Delaware Act and as otherwise provided by law, including those necessary to make all decisions regarding the business of the Partnership and to take the actions specified in Section 4.2, and is hereby vested with absolute, exclusive and complete right, power, and authority to operate, manage, and control the affairs of the Partnership and carry out the business of the Partnership.

(b) Reliance on Documentation. The General Partner may rely in good faith on and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties.

(c) Reliance on Experts. The General Partner may consult with legal counsel (including Partnership Counsel), accountants, appraisers, management consultants, investment bankers, and other consultants and advisers selected by it with reasonable care, and shall not have any liability to the Partnership or any other Partner for any act taken or omitted to be taken in good faith reliance upon the opinion or advice of such Persons.

Section 4.2 Rights and Powers of the General Partner.

(a) General Authority. The General Partner shall have the sole authority to bind the Partnership to any obligation consistent with the provisions of this Agreement and the Memorandum. Except as otherwise provided in this Agreement, the General Partner shall have the power by itself (or through such agents) and shall be authorized and empowered on behalf and in the name of the Partnership to carry out any and all of the objects and purposes of the Partnership and to perform all acts (including the payment of Operating Expenses and other Partnership obligations) and enter into and perform all contracts and other undertakings, consistent with the provisions of this Agreement, that it may in its discretion deem necessary or advisable or incidental thereto. Subject to, and except as otherwise provided in Section 4.10, the General Partner may contract with any Person for the transaction of the business of the Partnership, and the General Partner shall use reasonable care in the selection and retention of such Persons. Except as otherwise provided in Section 4.6(a), the Partnership, and the General Partner on behalf of the Partnership, may enter into and perform the Subscription Agreements, any Side Letters, any documents necessary or desirable in connection with Real Estate Investments, and/or Joint Ventures, and any documents contemplated by any of the foregoing or related thereto and any amendments thereto, without any further act, vote or approval of any Person, including any Limited Partner. The General Partner is hereby authorized to enter into the documents described in the preceding sentence on behalf of the Partnership, but such authorization shall not be deemed a restriction on the power of the General Partner to enter into other documents on behalf of the Partnership.

(b) Specific Authority. Without in any way limiting the authority of the General Partner granted in Section 4.2(a) and under the Delaware Act, but subject to the restrictions set forth in this Agreement, the General Partner, in its sole and absolute discretion, is authorized to take the actions listed below in this Section 4.2(b) on behalf of the Partnership and/or any Joint Venture, and to cause the Partnership and/or any Joint Venture to authorize any of the following actions directly or indirectly through one or more intermediate entities:

(i) take all actions necessary to fulfill the Partnership's purpose and objectives set forth in Section 1.4;

(ii) identify, analyze, acquire, make, hold, sell, manage and/or own Real Estate Investments directly or indirectly through one or more Joint Ventures;

(iii) enter into and execute any agreement for the acquisition, development, operation, management, operation and/or disposition of any Real Estate Investments (including, without limitation, the construction of new multi-family units or the renovation or replacement of existing multi-family units with respect to an existing Real Estate Investment) and incur any expenditures the General Partner deems necessary in connection with any such Real Estate Investments or to conduct the business and affairs of the Partnership and the Joint Ventures;

(iv) negotiate, enter into, repay and/or refinance the Subscription Line Facility, execute any and all Subscription Line Loan Documents, pledge the Capital Contribution Commitments payable hereunder as security for the Subscription Line Facility and perform all such other obligations and transactions in connection with the Subscription Line Facility as authorized hereunder;

(v) borrow, repay and refinance money, loans and other indebtedness, guarantee or otherwise contract for indebtedness and other liabilities (including, without limitation, completion guarantees, performance guarantees, payment guarantees, non-recourse guarantees and any other guarantees of payment and/or performance by any Joint Venture of any indebtedness or other obligations of such Joint Venture), issue or obtain letters of credit and incur any other obligations the General Partner deems necessary or desirable for the Partnership's Real Estate Investments and/or Joint Ventures or the conduct of the business and affairs of the Partnership;

(vi) mortgage, pledge, encumber, hypothecate, exchange or refinance any Real Estate Investments (including via one or more Joint Ventures) on such terms as the General Partner reasonably determines appropriate;

(vii) execute in furtherance of any or all of the purposes of the Partnership (including for the benefit of any Real Estate Investment and/or Joint Venture) any deed, lease, deed of trust, mortgage, promissory note, bill of sale, assignment, contract or other instrument purporting to convey or encumber assets of the Partnership or any Joint Venture, including, without limitation, any Real Estate Investment;

(viii) distribute cash and other Partnership assets in accordance with this Agreement;

(ix) open, maintain and close bank accounts and draw checks or other orders for the payment of moneys;

(x) direct the formulation of investment policies and strategies for the Partnership in accordance with Section 1.4 and the Memorandum, and select and approve Real Estate Investments in accordance with this Agreement;

(xi) cause to be organized, or assist in organizing, any Joint Ventures under the laws of any jurisdiction, cause any Joint Venture to develop, make, acquire, construct, own, manage, hold, sell and or dispose of any Real Estate Investment and to exercise any and all rights of the Partnership as the holder of ownership interests of any kind in any Joint Venture;

(xii) hire attorneys, accountants, brokers, placement agents and such other agents and employees for the Partnership and the Joint Ventures as it may deem necessary or advisable, and authorize any such agent to act for and on behalf of the Partnership and the Joint Ventures;

(xiii) pay any and all fees and make any and all expenditures which the General Partner, in its sole discretion, reasonably deems necessary or appropriate in connection with the organization of the Partnership, the offering and sale of LP Units and the management of the affairs of the Partnership;

(xiv) subject to Section 4.13, create reasonable reserves and withdraw funds therefrom;

(xv) exercise all powers and authority granted by the Delaware Act to General Partners, except as otherwise provided in this Agreement;

(xvi) control all other aspects of the business or operations of the Partnership (including, without limitation, with respect to any Real Estate Investments and Joint Ventures) that the General Partner elects to so control;

(xvii) institute, and settle or compromise, suits, administrative proceedings and other similar matters and confess a judgment against the Partnership;

(xviii) make tax elections and act as the Partnership Representative of the Partnership, and cause to be paid any and all taxes, charges and assessments that may be levied, assessed or imposed upon any Partnership assets;

(xix) make or cause to be made any filing with or disclosure to any governmental or public official required by law, regulation or order, on behalf of the Partnership or any Affiliate or Joint Venture, and to seek and obtain from any Limited Partner any information necessary for that purpose;

(xx) retain and enter into the Fund Advisor Agreement with the Fund Advisor on the basis referred to in Section 4.5 to be responsible for (A) assisting the Partnership and the General Partner in identifying and evaluating prospective Real Estate Investments; (B) monitoring Real Estate Investments made by the Partnership; and (C) making recommendations with respect to the refinance, sale, disposition and/or liquidation of Real Estate Investments; *provided*, that the management and the conduct of the activities of the Partnership shall remain the sole responsibility of the General Partner;

(xxi) execute and deliver, and perform the terms, covenants and obligations of the Partnership under, any and all agreements governing the Real Estate Investments and/or the Joint Ventures; and

(xxii) make and perform such other agreements and undertakings as may be necessary or advisable to the carrying out of any of the foregoing powers, objects or purposes.

(c) Pre-Closing Investments. The General Partner and/or its Affiliates (including LIV Development) may make one or more Real Estate Investments prior to the Initial Closing Date (each, a "Pre-Closing Investment") that the General Partner determines are appropriate for the Partnership, and in such circumstances the Partnership may directly or indirectly acquire interests in such Pre-Closing Investments from the General Partner and/or its Affiliates in accordance with this Section 4.2(c). Notwithstanding anything to the contrary contained herein, it is understood and/or agreed that (i) each Limited Partner, by acquiring LP Units, shall be deemed to have acknowledged and consented to any actual or potential conflicts of interest relating to any such Pre-Closing Investments, and (ii) each Limited Partner, by executing its Subscription Agreement, shall be deemed to have

acknowledged and/or consented to any arrangements and/or transactions relating to the transfer of such Pre-Closing Investments and such Limited Partner's participation therein to the extent required by applicable law (including, without limitation, for purposes of Section 206(3) of the Advisers Act).

Section 4.3 Reinvestments. During the Investment Period, the General Partner shall be permitted, in its sole discretion, to make further investments in existing Real Estate Investments and investments in new Real Estate Investments (collectively, "Reinvestments") with any Capital Proceeds received by the Partnership rather than distribute such Capital Proceeds to the Limited Partners under Section 3.1(a). If, however, such Capital Proceeds are distributed to the Limited Partners under Section 3.1(a), such amounts may be subsequently recalled by the General Partner in accordance with, and subject to the limitations set forth in, Section 3.1(c) above. Reinvestments by the Partnership shall not reduce the remaining unpaid Capital Contribution Commitments of the Limited Partners.

Section 4.4 Investment Objectives. The Partnership's investment objectives are described in the Memorandum.

Section 4.5 Fund Advisor. The General Partner may, on behalf of the Fund, appoint the Fund Advisor to manage and advise on the affairs of the Partnership, the Joint Ventures, and the Real Estate Investments. Notwithstanding any other provision of this Agreement, references herein to a power, authority, discretion or right of, or determination to be made by, the General Partner shall be construed as a reference to a power, authority, discretion or right of, or determination to be made by, the Fund Advisor to the extent such power or authority has been granted by the General Partner to the Fund Advisor pursuant to a Fund Advisor Agreement. The General Partner shall have the duty to manage the affairs of the Partnership during any period when no Fund Advisor has been so appointed and shall be entitled to receive the Asset Management Fee payable with respect to any period during which it so manages. The appointment of the Fund Advisor shall not in any way relieve the General Partner of its responsibilities and authority vested pursuant to this Agreement. The Fund Advisor or the General Partner, as the case may be, shall receive the Asset Management Fee paid by the Partnership pursuant to Section 4.10(b) and may receive other fees directly or indirectly paid by the Partnership in accordance with Section 4.10.

Section 4.6 Investment Committee.

(a) The investment efforts of the Partnership shall be governed by an investment committee (the "Investment Committee") that shall be responsible for approving all investment decisions concerning the Partnership, including, without limitation, approval authority with respect to the following:

(i) The execution of a nonbinding term sheet or letter of intent with respect to any Real Estate Investment that would authorize the Partnership or any Joint Venture to pursue the Real Estate Investment prior to the execution by or on behalf of the Partnership or Joint Venture of a binding purchase and sale agreement (or any other economically similar agreement) with the seller of any Real Estate Investment; *provided, however*, the approval of the Investment Committee shall not be required in order for the Fund Advisor to screen and preliminarily pursue Real Estate Investments for the benefit of the Partnership;

(ii) The execution of a binding purchase and sale agreement (or any other economically similar agreement) with respect to the acquisition of a Real Estate Investment;

(iii) The consummation of any transaction in which the Partnership directly or indirectly (including through a Joint Venture) closes on the acquisition of a Real Estate Investment;

(iv) Any sale, exchange or other transfer or disposition of any Real Estate Investment to the extent the Partnership's consent is required therefor; and

(v) Any additional equity investment by the Partnership into any existing Real Estate Investment.

(b) Number; Initial Members. Subject to Section 4.6(c) below, there shall be at least five (5) members on the Investment Committee (each, an "Investment Committee Member"). As of the date of this Agreement, the six (6) Investment Committee Members are: Robert B. Crumpton, III, Thomas Spies, Jeff Hicks, Bradley J. Sklar, Thomas Harris, and Jeffrey Cash. Robert B. Crumpton, III will serve as chair of the Investment Committee unless and until replaced in accordance with Section 4.6(c) below. Other employees and agents of the General Partner or an Affiliate thereof may attend and participate in Investment Committee meetings from time to time; however, such analysts and other employees shall not be Investment Committee Members and shall have no voting rights on matters presented to the Investment Committee.

(c) Term; Successor Members. Each Investment Committee Member shall serve until his or her successor shall have been appointed and approved or until such person's earlier resignation, removal from office or death. The General Partner shall appoint, replace, or remove Investment Committee Members in its sole discretion at any time (which may be with or without cause).

(d) Meetings; Consents. Meetings of the Investment Committee shall be held at such times as called by the chair of the Investment Committee or a majority of the Investment Committee Members. Once called, such meetings shall actually be held if a quorum, comprised of a majority of the Investment Committee Members, is present. The vote and/or approval of the Investment Committee for any item described in Section 4.6(a) above may take place during an Investment Committee meeting or without a meeting if a written consent is signed by all of the Investment Committee Members. An Investment Committee Member shall be deemed present at a meeting of the Investment Committee if such Investment Committee Member (y) is present in person at such meeting or (ii) participates remotely via conference telephone or similar communications equipment so long as all persons participating in the meeting can hear one another.

(e) Investment Committee Approval. The unanimous affirmative vote of the Investment Committee shall be required for any Investment Committee approval of the items described in Section 4.6(a) above.

Section 4.7 Advisory Committee.

(a) Not later than the first anniversary of the Initial Closing Date, the Partnership shall establish and maintain an advisory committee (the "Advisory Committee") comprised of a minimum of three (3) and a maximum of five (5) Limited Partners designated by the General Partner (each such Limited Partner being an "Advisory Committee Member"). The Advisory Committee Members shall be individuals who (i) are not Affiliates of the General Partner and (ii) are Limited Partners of the Partnership or Affiliates of a Limited Partner of the Partnership.

(b) Except for the consent rights set forth in this Agreement, the Advisory Committee (1) shall have **no** control over the management of the Partnership or its activities, (2) shall not take part in the management of the Partnership and (3) shall not have any authority to bind the Partnership or the General Partner to act on behalf of the Partnership. Notwithstanding anything herein to the contrary, the approval of a majority of the Advisory Committee Members shall be required in order to take the following actions:

(i) Calling for additional capital using Recalled Capital Amounts pursuant to Section 3.1(c);

- (ii) Adjusting the investment objectives as provided in Section 4.4;
- (iii) Executing agreements described in Section 4.10(i);
- (iv) Authorizing any Co-Investment Opportunity in accordance with Section 6.1;
- (v) Taking any action that would make it impossible to carry out the business of the Partnership, except as otherwise provided in this Agreement; and
- (vi) Any other act that requires the Consent of the Advisory Committee under this Agreement.

(c) An Advisory Committee Member may resign by giving the General Partner seven (7) days prior written notice. The resignation of an Advisory Committee Member shall take effect upon delivery of such notice or at such later time as shall be specified in such notice and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. The General Partner shall have the right to remove an Advisory Committee Member (with or without cause) at any time by providing written notice of such removal to such Advisory Committee Member. An Advisory Committee Member shall cease to serve as such immediately upon such Person's death or disability. An Advisory Committee Member that is also a Limited Partner of the Partnership shall be deemed to have been removed immediately if and when such Limited Partner becomes a Defaulting Limited Partner hereunder. In the event that a resignation, death, disability or removal of an Advisory Committee Member results in there being less than three (3) Advisory Committee Members, the General Partner, in its sole discretion, shall promptly designate a replacement Advisory Committee Member.

(d) Meetings of the Advisory Committee shall be held at such times as called by the General Partner or by a majority of the Advisory Committee Members. Once called, such meetings shall actually be held if a quorum, comprised of a majority of the Advisory Committee Members, is present. The approval of any matter that requires the Consent of the Advisory Committee hereunder shall be deemed approved if (i) a majority of the Advisory Committee Members present at a meeting of the Advisory Committee at which a quorum is present shall approve such matter or (ii) a majority of the Advisory Committee Members sign a written consent approving such matter. An Advisory Committee Member shall be deemed present at a meeting of the Advisory Committee if (y) present in person at such meeting or (z) participating remotely via conference telephone or similar communications equipment so long as all persons participating in the meeting can hear one another. An Advisory Committee Member shall recuse himself/herself from voting on any matter in which he/she has a direct or indirect conflict of interest and shall disclose such conflict to the Advisory Committee prior to any meeting at which such matter is to be discussed. An Advisory Committee Member shall not be deemed to have a conflict of interest solely because such Advisory Committee Member or an Affiliate of such Advisory Committee Member is a Limited Partner of the Partnership.

(e) Representatives of the General Partner are permitted to attend meetings of the Advisory Committee; however, the Advisory Committee Members will have the right during such meetings to caucus separately without any representatives of the General Partner present to discuss matters raised at such meetings. A representative of the General Partner (or another representative designated by the Advisory Committee) shall chair and keep minutes of Advisory Committee meetings. All minutes of Advisory Committee meetings and all written consents of the Advisory Committee shall be maintained by the General Partner in the Partnership's books and records.

(f) Each Advisory Committee Member shall be entitled to reimbursement from the Partnership for his/her reasonable travel expenses and other reasonable out-of-pocket expenses incurred with his/her

attendance at Advisory Committee meetings. Advisory Committee shall not be entitled to any fees or other compensation from the Partnership.

(g) Each Advisory Committee Member shall be entitled to consider only such interests and factors as he/she desires, including his/her own interests, and shall have **no** fiduciary or other duty or obligation, in his/her capacity as an Advisory Committee Member, to give any consideration to any interest of or factors affecting any other Limited Partner or other Person, including the Partnership. No Advisory Committee Member shall be liable to any Limited Partner of the Partnership for any action taken or omitted to be taken in good faith by him/her in connection with such Advisory Committee Member's participation on the Advisory Committee. Further, it is agreed that a vote by an Advisory Committee Member that is in the interest of the Advisory Committee Member shall not be deemed, in and of itself, to be either a breach of any duties that are owed to the other Limited Partners or the Partnership, or an action taken in bad faith.

Section 4.8 Other Business Activities. The Partners acknowledge and agree that: (i) the LIV Parties are permitted to have, and may presently or in the future have, investments or other business relationships, ventures, agreements, or arrangements with entities engaged in the business of the Partnership, other than through the Partnership and the Joint Ventures (an "Other Business"); (ii) the LIV Parties may engage for their own accounts and for the accounts of others in any such Other Business (without regard to whether the interests of such activities conflict with those of the Partnership); (iii) none of the LIV Parties or their Affiliates will be prohibited from pursuing and engaging in such activities; (iv) none of the General Partner or the LIV Parties will be obligated to inform the Partnership or any Partners of any such opportunity, relationship, or investment (a "Partnership Opportunity") or to present any such Partnership Opportunity to the Partnership or the Partners, and the Partnership hereby renounces any interest in a Partnership Opportunity and any expectancy that a Partnership Opportunity will be offered to it; and (v) the Partners will not acquire, be provided with an option or opportunity to acquire, or be entitled to any participation in any Other Business as a result of the participation therein of any of the LIV Parties. The Partners acknowledge and agree that the General Partner and its Affiliates (including the LIV Parties) may currently manage or in the future form and/or manage one or more other entities with investment objectives, strategies, and criteria substantially similar to the Partnership and that any such entity may have different terms and conditions that may be more or less favorable than the terms and conditions of the Partnership. The Partners expressly authorize and consent to the involvement of the LIV Parties in any Other Business. Notwithstanding anything in this Agreement and the Memorandum to the contrary, the Partners and the Partnership hereby expressly waive, to the fullest extent permitted by applicable law, any rights to assert any claim that such involvement breaches and fiduciary or other duty or obligation owed to the Partnership or any Partner or to asset that such involvement constitutes a conflict of interest by such Persons with respect to the Partnership or any Partner. Neither the Partnership nor any Partner shall have any right by virtue of this Agreement or the existence of the Partnership in and to such investments or activities or to the income or profits derived therefrom, and, notwithstanding anything in this Agreement or the Memorandum to the contrary, the LIV Parties shall have not any duty or obligation to (a) offer any investment opportunities to the Partnership, (b) make any reports to the Limited Partners or the Partnership with respect to any such investments or activities, or (c) exercise any legal or contractual rights available to the Partnership or the General Partner with respect to the Real Estate Investments. The General Partner and the Fund Advisor shall not be required to devote his, her, or its full business time and attention to the affairs of the Partnership.

Section 4.9 Payment of Expenses. All Operating Expenses shall be (i) billed directly to and paid by the Partnership or a Joint Venture or (ii) paid by the General Partner, Fund Advisor, or an Affiliate thereof and promptly reimbursed by the Partnership. The General Partner may charge to the Partnership and/or pay out of funds of the Partnership, as and when available, all reasonable Operating Expenses incurred by the General Partner, the Fund Advisor and/or their Affiliates in connection with or as part of the operation of the Partnership.

Notwithstanding the foregoing, the General Partner shall reimburse, or cause the Fund Advisor or Affiliates thereof to reimburse, the Partnership and/or Joint Venture(s) for any and all Dead Deal Costs actually paid by the Partnership or Joint Venture(s).

Section 4.10 Permitted Affiliate Transactions.

(a) General. The General Partner or any Affiliate of the General Partner, including one or more of the LIV Principals, may act as surety, guarantor, endorser, or provider of collateral for, and transact any kind of business with, the Partnership, any Joint Venture, any subsidiary or any business or entity in which the Partnership invests on such terms as agreed between such General Partner or Affiliate, the Partnership, such Joint Venture, such subsidiary and/or such other entity. Nothing in this Agreement shall be construed to preclude the General Partner from serving the Partnership in any other capacity as an officer, employee, agent, contractor, or otherwise and receiving compensation and expense reimbursement therefor (including, without limitation, any fees described in the Memorandum and any fees described in this Section 4.10).

(b) Asset Management Fee. Commencing with the Investment Period, the Partnership shall pay the Fund Advisor a 1.5% per annum asset management fee (the "Asset Management Fee") in exchange for providing advisory and asset management services to the Partnership and for the benefit of the Limited Partners (other than Affiliated Limited Partners). The Asset Management Fee shall be payable quarterly in advance on the first Business Day of April, July, October and January (each such day, a "Management Fee Payment Date") as follows: (i) each quarterly installment of the Asset Management Fee shall equal 0.375% (one-fourth of 1.5%) of the total amount of the Deployed Capital as of the Management Fee Payment Date, and (ii) the Asset Management Fee will be pro-rated for any period less than one fourth (1/4) of a year based on the number of days during such period. For purposes of calculating the Asset Management Fee, any amounts outstanding on a Subscription Line Facility as of the date of calculation that have been drawn in lieu of Capital Contributions by the Limited Partners and that are expected to be repaid with Capital Contributions by the Limited Partners shall be deemed to be Capital Contributions with respect to which the Asset Management Fee is accrued. If all or any portion of the Asset Management Fee is not paid in any given quarter because there is insufficient Available Cash, such Asset Management Fee shall accrue and be payable as soon as possible as the General Partner, in its sole discretion, determines that such accrued but unpaid Asset Management Fee should be paid; *provided*, however, the General Partner may at any time elect to defer payment of all or any part of any installment of the Asset Management Fee. The Asset Management Fee will be deemed to be an Operating Expense of the Partnership and will not be considered a distribution of profits or a return of capital to any Person for any purpose. The General Partner, in the General Partner's sole discretion and without any obligation to disclose such arrangement to any Limited Partner, may from time to time agree with one or more Limited Partners to charge a reduced Asset Management Fee. The Partnership will not pay any Asset Management Fee with respect to any Capital Contributions attributable to the General Partner (in its capacity as a Limited Partner) or any Affiliated Limited Partners, and the Capital Account of the General Partner (in its capacity as a Limited Partner) and each Affiliated Limited Partner will not be charged with any such Asset Management Fee expenses.

(c) Development Fees. The Limited Partners agree that, in connection with providing development services developing each Real Estate Investment, LIV Development and each LIV Partners Entity may receive a development fee from each Joint Venture or Joint Venture subsidiary pursuant to a development agreement entered into by each Joint Venture or Joint Venture subsidiary, on the one hand, and LIV Development and the LIV Partners Entity, on the other hand. The amount of each such fee shall not exceed five percent (5%) of the project budget of each such Real Estate Investment. Payments for such services shall be in cash; *provided* that the LIV Partners Entity or its affiliates may elect to receive payment for such services in the form of an equity interest in the Joint Venture requesting such services and such election would represent a passive co-investment alongside

the Partnership in such Joint Venture. In addition, LIV Development shall be paid a pre-development fee for each Real Estate Investment in an amount not to exceed \$85,000.

(d) Acquisition Fees. The Limited Partners agree that the Fund Advisor or an Affiliate thereof may be entitled to receive an acquisition or broker fee in connection with any acquisition of a Real Estate Investment. Any such fee(s) will be payable at a market rate in the location of the Real Estate Investment in an amount not to exceed two percent (2%) of the purchase price of the underlying real property.

(e) Construction Services Fees. The Limited Partners agree that the Fund Advisor or an Affiliate thereof may serve as construction manager on any Real Estate Investment, and such affiliate shall be paid a construction services fee for services provided in connection with the construction, development, renovation or replacement of such Real Estate Investments, payable at a market rate in the location of the Real Estate Investment in an amount not to exceed one and one half percent (1.5%) of the “guaranteed maximum price” of the construction contract amount of such Real Estate Investment.

(f) Design Services. The Limited Partners agree that LIV Creative Group, a division of LIV Development, may provide design-related services to any Real Estate Investment, and in connection therewith shall be paid a fee for such design-related services. Such services are generally anticipated to cost \$60,000 for each Real Estate Investment, but such cost is subject to increase based on market conditions for such services.

(g) Fees Payable to Other Affiliates. In addition to the services specifically contemplated by this Agreement, the General Partner, the Fund Advisor, or any of their respective Affiliates may provide to the Partnership, any of its Affiliates, any Joint Venture, any subsidiary and/or any Real Estate Investment any Project Services (including leasing of equipment) in lieu of third parties providing such services to such Persons; provided that such services (including leasing services) shall be on terms that are determined by the General Partner to be fair and reasonable to the Partnership, Joint Venture, subsidiary or Real Estate Investment. To the extent any such Persons provide Project Services (or leasing of equipment), they may receive fees for such services; *provided* that any such fees shall not unreasonably exceed the rate that would be payable by the Partnership, Joint Venture, subsidiary or Real Estate Investment if such services or equipment were provided by unaffiliated third parties in the business of providing comparable services and equipment in the applicable market. Payments for such services shall be in cash. For the avoidance of doubt, (i) the limitations contained in this paragraph shall not apply to any of the fees (including the Asset Management Fee) that are specifically authorized by this Agreement or that are otherwise consented to by the Advisory Committee, and (ii) payments contemplated by this Section 4.10(g) shall not reduce the Asset Management Fee payable by the Partnership.

(h) Reimbursement of Transaction Costs. The General Partner, Fund Advisor, and/or their Affiliates, shall be entitled to reimbursement for all pursuit and transaction expenses (including, without limitation, the payment of a fee for legal services) incurred in connection with each actual Real Estate Investment to the extent such expenses are not borne or reimbursed by the legal entity acquiring the Real Estate Investment. For the avoidance of doubt, the General Partner, Fund Advisor, and/or their Affiliates shall not be entitled to reimbursement for Dead Deal Costs.

(i) Except for arrangements, fees, contracts and other agreements described or contemplated herein (including, without limitation, this Section 4.10) or in the Memorandum, the General Partner shall not enter into any contract or agreement on behalf of the Partnership with itself or any of its Affiliates upon terms less favorable to the Partnership than those generally available to the Partnership from qualified independent third parties unless the Consent of the Advisory Committee is obtained for such contract or agreement.

Section 4.11 General Partner's Liability; Indemnification.

(a) To the fullest extent permitted by applicable law, no LIV Party shall be liable, in damages or otherwise, to the Partnership or to any Limited Partner for any losses sustained or Liabilities incurred as a result of any act or omission taken or suffered by a LIV Party unless the conduct of such LIV Party constitutes Malfeasance.

(b) To the fullest extent permitted by applicable law, no LIV Party shall be liable, in damages or otherwise, no LIV Party shall be liable to the Partnership or any other Limited Partner for any action taken by any other Limited Partner, nor shall any LIV Party (in the absence of Malfeasance by such LIV Party) be liable to the Partnership or any other Limited Partner for any action of any agent of the Partnership selected and retained or supervised by a LIV Party with reasonable care.

(c) To the fullest extent permitted by applicable law, the Partnership shall indemnify and hold harmless, and the other Limited Partners shall release, each Indemnitee to the fullest extent permitted by law from and against any and all losses, claims, demands, costs, damages, liabilities (whether joint, several or joint and several), reasonable expenses of any nature (including attorneys' fees and disbursements), judgments, fines, settlements and other amounts, of any nature whatever, known or unknown, liquid or illiquid (collectively, "Liabilities") arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which such Indemnitee may be involved, or threatened to be involved as a party or otherwise, relating to the performance or nonperformance of any act concerning the activities of the Partnership (including, specifically but without limitation on the generality of the foregoing, any act or omission of the General Partner in its capacity as Partnership Representative or liquidating trustee of the Partnership), if such Indemnitee's conduct did not constitute Malfeasance; *provided* that no indemnification shall be made under this Section 4.11(c) that relates to disputes among the owners, officers or employees of the General Partner, the Fund Advisor or their Affiliates. The termination of an action, suit or proceeding by judgment, order, settlement, or upon a plea of *nolo contendere* or its equivalent, shall not, in and of itself, create a presumption or otherwise constitute evidence that an Indemnitee acted in a manner contrary to that specified in the preceding sentence.

(d) Expenses incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding subject to this Section 4.11 shall be advanced by the Partnership prior to the final disposition of such claim, demand, action, suit, or proceeding upon receipt by the Partnership of a written commitment by or on behalf of such Indemnitee to repay such amount if it shall be determined by a judgment entered by any court of competent jurisdiction that such Indemnitee acted in a manner contrary to Section 4.11(c).

(e) The General Partner may, in its sole discretion, acquire on behalf of the Partnership an insurance policy to insure against liabilities of the type indemnified against in Section 4.11(c). The cost of such policy shall be an Operating Expense of the Partnership. Each Indemnitee shall use its commercially reasonable efforts to pursue, before or concurrently while seeking indemnification, any insurance or indemnity claims it may have against third parties with respect to the expenses incurred in defending any claim, demand, action, suit or proceeding subject to this Section 4.11, *provided* that no such claims, nor any efforts or obligation hereunder, shall delay the availability of the advances provided in Section 4.11(d) and, *provided, further*, that the Partnership shall be entitled to receive any insurance proceeds or indemnification payments to the extent of the payments or advancements it has made pursuant to this Section 4.11 prior to any such insurance proceeds or indemnification payments being paid to an Indemnitee.

(f) The provisions of this Section 4.11 are for the benefit of the LIV Party and the Indemnitees and shall not be deemed to create any rights for the benefit of any other Person.

(g) To the extent that, at law or in equity, the General Partner has duties (including fiduciary duties) and liabilities relating thereto to the Partnership, Joint Venture, or to a Partner, the General Partner acting under this Agreement, so long as such action does not constitute Malfeasance, will not be liable to the Partnership or to any such Partner for its good faith reliance on the provisions of this Agreement, including Section 4.8. The provisions of this Agreement, to the extent that they expand, restrict or eliminate the duties and liabilities of the General Partner otherwise existing at law or in equity, are agreed by the Limited Partner to modify to that extent such duties and liabilities of the General Partner.

(h) The General Partner may consult with legal counsel and accountants and any act or omission suffered or taken by the General Partner on behalf of the Partnership in furtherance of the interests of the Partnership in good faith in reasonable reliance upon and in accordance with the advice of such counsel or accountants will be full justification for any such act or omission, and the General Partner will be fully protected (and not liable to the Partnership or any Limited Partner) in so acting or omitting to act so long as the General Partner used reasonable care in retaining such counsel or accountants.

(i) The right of any Indemnitee to the indemnification provided in this Section 4.11 shall be cumulative of, and in addition to, any rights to which such Indemnitee may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnitee's heirs, successors, assigns and legal representatives. Notwithstanding anything to the contrary in this Agreement, any amendment, repeal or modification of this Section 4.11 shall not adversely affect any right or protection of a Person who is or was an Indemnitee with respect to any acts or omissions of such Indemnitee occurring prior to such amendment, repeal or modification without such Person's prior written consent. The provisions of this Section 4.11 shall apply to Persons who were Indemnitees prior to the amendment and restatement of this Agreement on the date hereof.

(j) Without limiting the generality of the foregoing, nothing in this Section 4.11 shall constitute a waiver of any rights which a Limited Partner or the Partnership may have under applicable U.S. state or federal securities laws, in each case which may not be waived.

Section 4.12 No Obligation by General Partner to Make Payments. Except as provided in Section 2.1(b) or Section 4.18 hereof, the General Partner shall have no obligation to make Capital Contributions to the Partnership or for the benefit of any Real Estate Investment, or any other payments to the Partnership or for the benefit of any Real Estate Investment, or to lend or otherwise provide funds to the Partnership or for the benefit of any Real Estate Investment, even if the failure to do so would result in a default by the Partnership or any subsidiary in any of their respective obligations, a loss by the Partnership or any subsidiary of any Real Estate Investment, or other consequence adverse to the Partnership, any subsidiary or any Real Estate Investment.

Section 4.13 Working Capital Reserve Fund. The General Partner may set aside a portion of the proceeds of the Offering and other cash receipts of the Partnership (including Capital Proceeds or other Available Cash) to establish and replenish from time to time a working capital reserve fund (the "Reserves"). Such Reserves shall be in an amount reasonably expected by the General Partner to meet anticipated cash needs of the Partnership and the Real Estate Investments. Any balance in the Reserves upon dissolution of the Partnership shall be distributed in the same manner as other assets are distributed under this Agreement. The General Partner is also permitted to establish such other reserves as it may deem reasonably necessary.

Section 4.14 Transfer or Withdrawal by the General Partner. The General Partner shall not have the right to Transfer its Interest as the General Partner of the Partnership and shall not have the right to withdraw from the Partnership; *provided*, that, without the consent of any Limited Partner, the General Partner may, at its own expense, (a) be reconstituted as or converted into a corporation or other form of entity (any such

reconstituted or converted entity being deemed to be the General Partner for all purposes hereof) by merger, consolidation, conversion, or otherwise or (b) Transfer all of its Interest as the General Partner of the Partnership to one of its Affiliates so long as, in either case, (i) such reconstitution or Transfer does not have material adverse tax or legal consequences for the Limited Partners and (ii) such other entity is an Affiliate of LIV Development and shall have assumed in writing the obligations of the General Partner under this Agreement, the Subscription Agreements and any other related agreements to which the General Partner is a party (including the operative documents of any Parallel Vehicles). In the event of a Transfer of all of its Interest as a General Partner of the Partnership in accordance with this Section 4.14, its transferee shall be substituted in its place as General Partner of the Partnership and immediately thereafter the General Partner shall withdraw as the General Partner of the Partnership and the business of the Partnership shall be continued without dissolution.

Section 4.15 Bankruptcy or Dissolution of the General Partner.

(a) Upon the Bankruptcy or dissolution of the General Partner, (i) the General Partner or its legal representative shall give notice to the Limited Partners of such event and shall automatically, with or without delivery of such notice, become a special Limited Partner with no power, authority, or responsibility to bind the Partnership or to make decisions concerning, or manage or control, the affairs of the Partnership, and the Partnership's certificate of limited partnership shall be amended to reflect such fact, and (ii) such Person as may be selected and approved by consent of a Majority of the Limited Partners within 90 days of the date of the Bankruptcy or dissolution of the General Partner shall be admitted to the Partnership as a successor to the General Partner (effective as of the date of the Bankruptcy or dissolution of the General Partner) and such successor shall continue the business of the Partnership without dissolution. If a successor to the General Partner is not approved to be admitted to the Partnership (effective as of the date of the Bankruptcy or dissolution of the General Partner) by consent of a Majority of the Limited Partners within such 90-day period, the Partnership shall dissolve in accordance with Article VIII. The General Partner shall not take any action seeking its voluntary dissolution.

(b) In the case of a conversion of the General Partner to a special Limited Partner and continuance of the Partnership without dissolution, the Advisory Committee shall select an "Expert" reasonably acceptable to the special Limited Partner and such Expert shall determine the Fair Value of the General Partner's Interest as of the date of the Bankruptcy or dissolution of the General Partner, taking into account all Net Income, Net Loss, gains, deductions, distributions and other credits and charges to which the General Partner was and would have been entitled under this Agreement if all Real Estate Investments were sold on the effective date of such Bankruptcy or dissolution for their Fair Value and the proceeds were distributed on such date in accordance with Section 3.1. Thereafter, the General Partner, in its capacity as a special Limited Partner, shall be entitled to a percentage of all future Net Income, Net Loss, gains, deductions, distributions and other credits and charges of the Partnership arising from the Real Estate Investments held as of the date of the Bankruptcy or dissolution of the General Partner equal to the quotient of (x) the Fair Value of the General Partner's Interest as of the date of the Bankruptcy or dissolution of the General Partner divided by (y) the amounts that would have been available for distribution to all Partners as of such date, in each case as determined by the Expert. The determinations of the Expert shall be final and conclusive. The fees and expenses of the Expert retained pursuant to this Section 4.15(b) shall be borne by the General Partner. The successor General Partner shall assume the former General Partner's Remaining Capital Contribution Commitment, if any, and shall be paid by the Partnership any reimbursements of expenses due and owing to the former General Partner by the Partnership determined as of the effective date of the former General Partner's Bankruptcy or dissolution.

Section 4.16 Removal of the General Partner.

(a) The Limited Partners may, at any time, by consent of a Supermajority of the Limited Partners, send notice to the General Partner that the General Partner will be removed as the general partner of the Partnership and each Parallel Vehicle pursuant to this Section 4.16 for Cause; *provided*, that such removal shall not become effective until a successor to the General Partner is admitted pursuant to Section 4.17.

(b) The Advisory Committee shall select an Expert reasonably acceptable to the removed General Partner and such Expert shall determine the Fair Value of the removed General Partner's Interest as of the effective date of the removal, taking into account all Net Income, Net Loss, gains, deductions, distributions and other credits and charges to which the General Partner was and would have been entitled under this Agreement if all Real Estate Investments of the Partnership were sold on the effective date of such removal of the General Partner for their Fair Value and the proceeds were distributed on such date in accordance with Section 3.1. The determinations of the Expert shall be final and conclusive. The fees and expenses of the Expert retained pursuant to this Section 4.16 shall be borne by the General Partner.

(c) Promptly upon the disclosure by the Expert of the Fair Value of the General Partner's Interest, the removed General Partner's Interest shall be converted to that of a special Limited Partner. Following such conversion, the special Limited Partner shall not be entitled to vote with the Limited Partners upon any matter that requires the consent of the Limited Partners or the Limited Partners under this Agreement or the Delaware Act.

(d) The special Limited Partner shall be entitled to a percentage of all future Net Income, Net Loss, distributions and other credits and charges of the Partnership arising from the Real Estate Investments held as of the date of removal equal to the quotient of (x) the value of the General Partner's Interest as of the date of removal divided by (y) the amounts which would be available for distribution to all Partners as of such date, in each case as determined by the Expert.

(e) Obligations of a Former General Partner. In the event that the General Partner withdraws from the Partnership or Transfers its Interest, in each case, in accordance with Section 4.14 or has its Interest redeemed in accordance with Section 4.15 or this Section 4.16, it shall have no further obligation or liability as a general partner to the Partnership pursuant to this Agreement in connection with any obligations or liabilities arising from and after such withdrawal, Transfer, redemption or conversion, and all such future obligations and liabilities shall automatically cease and terminate and be of no further force or effect; *provided*, that nothing contained herein shall be deemed to relieve the General Partner of any obligations or liabilities (i) arising prior to such withdrawal, Transfer, redemption, or conversion or (ii) resulting from a dissolution of the Partnership caused by an act of the General Partner where liability is imposed upon the General Partner by law or by the provisions of this Agreement, *provided*, further, that the General Partner shall continue to be indemnified in accordance with Section 4.11 with respect to the activities of the Partnership prior to such Transfer.

(f) Use of Name. Promptly after the date the General Partner withdraws (except in connection with a Transfer of its Interest to an Affiliate of LIV Development in accordance with this Agreement), is removed or otherwise ceases to be an Affiliate of LIV Development, the name of the Partnership will be changed to omit reference to LIV Development and no further use of LIV Development or any derivations thereof, including the appropriate trademark and service mark symbol, will be permitted by the Partnership, the successor General Partner or any other Person in relation to the activities of the Partnership. The Partnership and each direct or indirect subsidiary shall file amendments to their certificates of limited partnership or other similar documents, take all further action necessary to remove the word "LIV" and/or "LIVANO" from each such entity's name.

Section 4.17 Successor to the General Partner

(a) Following the proposed withdrawal or removal of the General Partner, any Limited Partner may propose for admission a successor General Partner. If a successor General Partner proposed pursuant to this Section 4.17 satisfies the terms and conditions set forth in Section 4.17(b), then such proposed successor General Partner shall become the successor General Partner as of the date of withdrawal or removal of the General Partner and shall thereupon continue the Partnership's business.

(b) A Person shall be admitted as a successor General Partner only if the following terms and conditions are satisfied:

(i) except as permitted by Section 4.14, the admission of such Person shall have been approved by consent of a Majority of the Limited Partners;

(ii) the Person shall have accepted and agreed to be bound by all the terms and provisions of this Agreement and the operative documents of each Parallel Vehicle by executing a counterpart hereof and thereof and such other documents or instruments as may be required or appropriate in order to effect the admission of such Person as a general partner of the Partnership; and

(iii) the Partnership's certificate of limited partnership and each Related Investment Vehicle's and Alternative Investment Vehicle's operative documents shall be amended to reflect the admission of such Person as a general partner (or managing member, as applicable).

(c) If, within 90 calendar days of the date of the General Partner's withdrawal or removal, a Majority of the Limited Partners has not approved the admission of a successor General Partner, effective as of the date of the General Partner's withdrawal or removal, then the Partnership shall thereupon terminate and dissolve in accordance with Article XI.

Section 4.18 General Partner Clawback.

(a) If, as of the date of the completion of the dissolution and winding up of the Partnership and the final distribution of the Partnership's assets among the Partners, the distributions received by the Limited Partners pursuant to Section 3.1(a) and Section 8.2(c) are not sufficient to provide each Limited Partner with a return of its Capital Contribution plus its Preferred Return, then, within 90 days, the General Partner will be obligated to cause the LIV Principals to refund for the benefit of the Limited Partners an aggregate amount equal to the Clawback Amount (as defined below) (the "Clawback").

(b) For purposes of this Section 4.18, the "Clawback Amount" shall be an amount equal to the lesser of: (i) the amount of the shortfall described in Section 4.18(a) above; and (ii) the After-Tax Amount of the Aggregate Promote Distributions.

(c) The General Partner shall ensure that each member of the LIV Partners Entities (or, in the case of any such member that is not a natural person, each of the natural persons that is the ultimate beneficial owner of such member) who is entitled to receive any portion of Promote Distributions shall execute an unconditional and irrevocable guarantee with respect to its pro rata share of the Clawback Amount under this Section 4.18 in favor of the Partnership and for the benefit of the Limited Partners pursuant to which such member of the LIV Partners Entities shall be obligated to refund its pro rata share of the Clawback Amount (based on amounts received as Promote Distributions); provided, that any guarantee executed pursuant to this Section 4.18(c) shall be on a several basis (and not on a joint and several basis).

(d) Any refunds in respect of the Clawback Amount shall be distributed to the Limited Partners on a Limited Partner-by-Limited Partner basis in accordance with the calculation of the Clawback Amount for each such Limited Partner.

ARTICLE V ROLE OF LIMITED PARTNERS

Section 5.1 No Participation in Management of the Partnership. Without limiting a Limited Partner's participation on the Advisory Committee, no Limited Partner shall participate in the management or control of the business and affairs of the Partnership or have any authority or right to act on behalf of the Partnership in connection with any matter or the transaction of any business. No Limited Partner shall have any rights and powers with respect to the Partnership, except as provided in the Delaware Act or by this Agreement. The exercise of any of the rights and powers of the Limited Partners pursuant to the Delaware Act or the terms of this Agreement, including participation on the Advisory Committee, shall not be deemed taking part in the day-to-day affairs of the Partnership or the exercise of control over the business and affairs of the Partnership.

Section 5.2 Limitation on Liability. No Limited Partner shall have any obligation to contribute any amounts to the Partnership except to the extent of its Remaining Capital Contribution Commitment and except to the extent required by this Agreement or the Delaware Act; provided, that a Limited Partner shall be required to repay any distribution made to it in error.

Section 5.3 Required Advisory Committee Consents. None of the actions described in Section 4.7(b) may be taken by the Partnership (whether by the General Partner or otherwise) without the Consent of the Advisory Committee.

Section 5.4 Power of Attorney.

(a) Each Limited Partner hereby irrevocably constitutes and appoints the General Partner, and any member, partner, manager, officer or director thereof, such Limited Partner's true and lawful attorney-in-fact, with full power of substitution, with such attorney-in-fact having full power and authority in the Limited Partner's name, place and stead to execute, acknowledge, deliver, swear to, certify, verify, publish, file and record at the appropriate public offices, in its or its assignee's name, place and stead, such documents as may be necessary or appropriate to carry out the provisions of this Agreement, all in accordance with the terms of this Agreement, including, but not limited to:

(i) all certificates and other instruments and amendments thereto (including, without limitation, counterparts of this Agreement and amendments to the Partnership's Certificate of Formation necessary or appropriate to reflect the admission of additional Limited Partners or any other change in the Partnership and fictitious name certificates), and any amendment thereof, which the General Partner deems necessary or appropriate to qualify or continue the Partnership as a limited partnership, or as an entity in which the Limited Partners have limited liability in the jurisdictions in which the Partnership may conduct business;

(ii) all instruments which the General Partner deems appropriate to reflect a change or modification of the Partnership that is made to comply with or conform to the Delaware Act or is made in accordance with the terms of this Agreement;

(iii) any agreement or instrument which the General Partner deems necessary or desirable to effect the complete or partial Transfer, addition, substitution, withdrawal or removal (voluntary or involuntary) of any Limited Partner or the General Partner pursuant to this Agreement;

(iv) all agreements and instruments necessary or desirable to organize any Alternative Investment Vehicle, including the execution of the operative documents with respect to an Alternative Investment Vehicle (and amendments thereto);

(v) any documents, instruments, certificates, or agreements reasonably required by a lender under a Subscription Line Facility;

(vi) all instruments necessary to effect a dissolution, termination and liquidation of the Partnership, which the General Partner deems necessary or desirable pursuant to Article VIII hereof, including the requirements of the Delaware Act;

(vii) any amendments to this Agreement; provided that all of the provisions of Section 13.1 have been complied with;

(viii) any other document necessary or desirable to carry out the provisions of this Agreement, including without limitation the execution and filing of documents necessary to evidence and/or perfect the security interest granted by such Limited Partner pursuant to Section 2.7 and 3.1(c) and the transfer of the LP Units of a Defaulting Limited Partner pursuant to Section 2.7; and

(ix) all other documents or instruments that may reasonably be considered necessary by the General Partner to carry out the foregoing.

(b) Each Limited Partner authorizes such attorney-in-fact to take any further action which such attorney-in-fact shall consider necessary or advisable in connection with any of the foregoing, hereby giving such attorney-in-fact full power and authority to do and perform each and every act or thing whatsoever requisite or advisable to be done in and about the foregoing as fully and to the same extent as such Limited Partner might or could do if personally present, hereby ratifying and confirming all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof, provided that in no event may the General Partner utilize this power of attorney to (i) cast any vote or consent of a Limited Partner entitled to vote under the terms of this Agreement or by law, or (ii) increase in any way the liability of a Limited Partner beyond the liability expressly set forth in this Agreement. Each Limited Partner has and does hereby agree to execute any and all additional forms, documents or instruments as may be reasonably necessary or required by the General Partner to evidence the power of attorney granted in this Section 5.4.

(c) Such attorney-in-fact and agent shall not have the right, power, or authority to amend or modify this Agreement when acting in such capacities, except to the extent expressly authorized herein. Each Limited Partner hereby agrees not to revoke this power of attorney. The appointment by all Limited Partners of the General Partner as attorney-in-fact shall be deemed to be a power coupled with an interest, in recognition of the fact that each of the Limited Partners under this Agreement will be relying upon the power of the General Partner to act as contemplated by this Agreement in any filing and other action on behalf of the Partnership. In the event of the Transfer by a Limited Partner of all or any part of such Limited Partner's interest, the foregoing power of attorney shall terminate as to the assignor Limited Partner if, and at such time as, a Substitute Limited Partner is admitted to the Partnership with respect to the assigned interest and all required documents and instruments, including without limitation, a power of attorney executed by the Substitute Limited Partner, shall have been duly executed, filed and recorded to effect such substitution in accordance with Section 4.5. This power of attorney shall terminate upon the removal, Bankruptcy, dissolution, or withdrawal of the General Partner, except that such power of attorney shall remain in effect with respect to any successor General Partner. The power of attorney granted herein shall be irrevocable, shall survive and not be affected by the death, incapacity, dissolution, Bankruptcy or legal disability of the Limited Partner, shall extend to its successors and assigns and may be

exercisable by the General Partner by executing any instrument on behalf of the Limited Partner as its attorney-in-fact. To the fullest extent permitted by applicable law, this power of attorney may be exercised by such attorney-in-fact and agent for all Limited Partners (or any of them) by a single signature of the General Partner acting as attorney-in-fact with or without listing all of the Limited Partners executing an instrument. Any Person dealing with the Partnership may conclusively presume and rely upon the fact that any instrument referred to above, executed by the General Partner as attorney-in-fact, is authorized, regular and binding, without further inquiry. If required, each Limited Partner shall execute and deliver to the General Partner, within five (5) Business Days after receipt of a request from the General Partner, such further designations, powers of attorney or other instruments as the General Partner shall determine to be necessary for the purposes hereof consistent with the provisions of this Agreement, including as required by any applicable state statute or other similar legal requirement.

ARTICLE VI AUTHORIZED ALTERNATIVE INVESTMENT STRUCTURES

Section 6.1 Co-Investment Opportunities.

(a) Where possible and appropriate, the General Partner may, but shall be under no obligation to, offer opportunities to invest in Real Estate Investments alongside the Partnership and/or Joint Venture (each, a “Co-Investment Opportunity”) in its sole discretion to any Persons, including the General Partner, its Affiliates, one or more of the LIV Parties, or any Limited Partner of the Partnership (the investors in any Co-Investment Opportunity, including Limited Partners, third parties and their Affiliates, are herein referred to as “Co-Investors”) on such terms and conditions as shall be determined by the General Partner. The General Partner may offer a Co-Investment Opportunity to one or more Limited Partners or other Persons without offering such Co-Investment Opportunity to other Limited Partners or Persons. Co-Investment Opportunities may be allocated to such Persons that may provide a benefit to the Partnership in the General Partner's sole discretion. Any amounts contributed by a Limited Partner in respect of a Co-Investment Opportunity shall not reduce the Remaining Capital Contribution Commitment of such Limited Partner. No Limited Partner shall have any obligation to participate in any Co-Investment Opportunity. If any Co-Investors acquire ownership interests in a Co-Investment Opportunity, the Partnership shall acquire ownership interests in such Co-Investment Opportunity on terms that are no less advantageous than the terms on which any such Co-Investor purchases such ownership interests. The General Partner may, in its sole discretion, charge a carried interest and/or management fee to any Co-Investors. For the avoidance of doubt, Joint Ventures entered into by and between the Partnership and a LIV Partners Entity do not constitute Co-Investment Opportunities.

(b) The General Partner may, as a condition to any Co-Investment Opportunity, require any or all Co-Investors to execute a confidentiality agreement relating to such Co-Investment Opportunity in form and substance acceptable to the General Partner.

(c) Each Co-Investor that is a Limited Partner shall (i) be required to treat the information as provided to it pursuant to this Section 6.1 as confidential, (ii) use such information solely for the purpose of considering the offer made pursuant to this Section 6.1, (iii) upon the request of the General Partner, promptly return to the General Partner any written information provided to it pursuant to this Section 6.1, and (iv) not disclose any of such information to any Person other than to (x) its employees, counsel or advisors, solely on a need to know and confidential basis, (y) any governmental authority or regulatory authority which regulates such investor's ability to engage in any of its businesses under U.S. or foreign law to the extent such information is required by such governmental authority or regulatory authority, as the case may be, and (z) to the extent such investor is required by law or regulation to disclose such information.

Section 6.2 Alternative Investment Vehicles.

(a) Formation of Alternative Investment Vehicles. If the General Partner determines at any time that for legal, tax, regulatory, or other similar considerations, all or a portion of a potential or existing Real Estate Investment (or multiple Real Estate Investments) be made, restructured, or otherwise held through an alternative investment structure, the General Partner shall notify the affected Limited Partners of such determination and shall be permitted to structure the making or holding of all or any portion of such investment outside of or beneath the Partnership by (i) in the case of a potential Real Estate Investment, making all or a portion of such Real Estate Investment through one or more partnerships or other vehicles that shall invest on a parallel or other basis with or in lieu of the Partnership (any such partnership or other vehicle, an "Alternative Investment Vehicle"), or (ii) in the case of an existing Real Estate Investment, transferring all or a portion of such Real Estate Investment to an Alternative Investment Vehicle. Additionally, the General Partner shall be permitted to form more than one Alternative Investment Vehicle for the making, restructuring or otherwise holding of a single investment and may require that different Partners invest in different Alternative Investment Vehicles as the General Partner determines in good faith to be necessary or advisable for legal, tax, accounting, regulatory or other reasons.

(b) Alternative Investment Conditions. Each Partner shall have the same economic interest in all material respects in Real Estate Investments held or made pursuant to this Section 6.2 as such Partner would have if such Real Estate Investment had been held or made (directly or indirectly) solely by the Partnership, and the other terms of such Alternative Investment Vehicle shall be substantially similar in all material respects to those of the Partnership, subject to the applicable legal, tax, regulatory and other similar considerations, *provided* that the pre-tax gains and losses of any such Alternative Investment Vehicle shall be treated as having been realized by the Partnership for all economic calculations under this Agreement with respect to the Partners who participate in such Alternative Investment Vehicle (including, without limitation, ARTICLE III) unless the General Partner elects otherwise based on its determination that such treatment increases the risk of or otherwise imposes on the Partnership, the Partners, or such Alternative Investment Vehicle adverse tax consequences, legal or regulatory constraints, or undesirable contractual or business risks. With respect to any Real Estate Investment, if an Alternative Investment Vehicle invests with the Partnership in a particular Real Estate Investment, subject to the applicable legal, tax, regulatory and other similar considerations, (i) the Partnership and such Alternative Investment Vehicle shall invest and divest on economic terms that are the same, and at the same time, in all material respects and (ii) the respective interests of the Partnership and such Alternative Investment Vehicle generally shall be in proportion to the respective aggregate Remaining Capital Contribution Commitments of their partners and they shall similarly share any related Investment Expenses and indemnification obligations. The Limited Partners and the General Partner (or its affiliate), to the extent of their investment participation in an Alternative Investment Vehicle, may be required to contribute amounts directly to such Alternative Investment Vehicle to the same extent, for the same purposes and on substantially the same terms and conditions as Partners are required to contribute amounts to the Partnership, and such contributions shall reduce the Remaining Capital Contribution Commitment of each Partner to the same extent that such contributions would have reduced such Remaining Capital Contribution Commitment if such contributions had been made directly to the Partnership. To the extent permitted by and consistent with applicable law, any side letter or similar agreement entered into in connection with this Agreement shall give rise to substantially the same rights, *mutatis mutandis*, with respect to any Alternative Investment Vehicle as it would with respect to the Partnership to the extent such rights are applicable to such Alternative Investment Vehicle.

(c) Mechanics of Formation of Alternative Investment Vehicles. Each Alternative Investment Vehicle shall be controlled by the General Partner or an Affiliate thereof. The governing documents of each Alternative Investment Vehicle shall be substantially similar in all material respects to those of the Partnership, with such differences as the General Partner determines are necessary or advisable in respect of the applicable legal, tax,

regulatory, and other similar considerations, and will be executed on behalf of the Limited Partners investing therein by the General Partner pursuant to the power of attorney granted by the Limited Partners as set forth in Section 5.4.

Section 6.3 Parallel Vehicles.

(a) Formation of Parallel Vehicles. In order to accommodate legal, tax, regulatory, or other similar considerations of certain types of investors, the General Partner may establish one or more additional collective investment vehicles for such investors to invest in Real Estate Investments with the Partnership (each, a "Parallel Vehicle"). The General Partner may, at any time, with the consent of the applicable Limited Partner (i) transfer all or a portion of an affected Limited Partner's Capital Contribution Commitment to such Parallel Vehicle or (ii) transfer all or a portion of an affected Parallel Vehicle Partner's Parallel Vehicle Commitment to the Partnership.

(b) Parallel Vehicle Investment Conditions. To the extent the Partnership and one or more Parallel Vehicles participate in the same Real Estate Investment, subject to the applicable legal, tax, regulatory, or other similar considerations, (i) the Partnership and any Parallel Vehicle shall invest and divest on economic terms that are the same, and at the same time, in all material respects and (ii) the respective interests of the Partnership and any Parallel Vehicle in any Real Estate Investment generally shall be in proportion to the respective aggregate unfunded Capital Contribution Commitments of their partners and they shall similarly share any related Investment Expenses and indemnification obligations.

(c) Mechanics of Formation of Parallel Vehicles. Each Parallel Vehicle shall be controlled by the General Partner or an Affiliate thereof. The governing documents of each Parallel Vehicle shall contain terms substantially the same as those contained herein, except to the extent reasonably necessary or desirable to address the applicable legal, tax, regulatory, or other considerations of the Parallel Vehicle or one or more Parallel Vehicle Limited Partners.

Section 6.4 Feeder Funds. The General Partner and/or its Affiliates may, in their sole discretion, establish one or more Feeder Funds to accommodate certain investors and to facilitate their indirect participation in the Partnership with respect to all or a portion of their investment therein. Any such Feeder Fund may elect to be treated as a corporation for U.S. federal income tax purposes. Investors in a Feeder Fund generally will have indirect interests in the Partnership on economic terms no more favorable than those of the other Limited Partners that invest in the Partnership. The General Partner may make any adjustments to the units of a Feeder Fund reasonably necessary to accomplish the overall objectives of this Section 6.4 on the condition that such adjustments shall not materially adversely affect the LP Units of any other Limited Partner. Nothing in this Section 6.4 should be construed as making any Feeder Fund Investor a Limited Partner for any purpose.

ARTICLE VII TRANSFERABILITY OF LP UNITS

Section 7.1 Transfers of LP Units Prohibited. A Limited Partner may not Transfer its LP Units in the Partnership or any part thereof except (a) as provided in Section 2.7 or Article VI or (b) as permitted in this Article VII. Any Transfer in violation of this Section 7.1 shall be null and void and of no force or effect. Notwithstanding the forgoing, (y) the General Partner may pledge, mortgage and collaterally assign its right to require the Limited Partners to make Capital Contributions hereunder and its rights, powers and privileges appurtenant thereto as security for the Subscription Line Facility and (z) no such pledge, mortgage or collateral assignment will be treated as a Transfer that violates the terms of this Agreement.

Section 7.2 Permitted Transfers by Limited Partners.

(a) A Limited Partner may Transfer all or a portion of its LP Units in the Partnership only if the General Partner consents in writing to the Transfer, which consent it may grant or withhold in its sole discretion, and all of the following conditions are satisfied (provided that the transferring Limited Partner shall continue to be subject to the provisions of Section 2.7 and Section 13.14):

(i) the transferring Limited Partner and proposed transferee file a notice, signed and certified by the transferring Limited Partner, with the General Partner at least thirty (30) Business Days in advance of the proposed Transfer which contains (A) the terms and conditions of and the circumstances under which the proposed Transfer is to be made, (B) a description of the LP Units to be transferred, and (C) all other information reasonably requested by the General Partner;

(ii) the Transfer does not cause the Partnership to be treated as a "publicly traded partnership" within the meaning of Section 7704 of the Code and the regulations promulgated thereunder;

(iii) all costs and expenses incurred by the Partnership in connection with the Transfer are paid by the transferring Limited Partner to the Partnership, and the transferring Limited Partner shall be responsible for such costs and expenses whether or not the proposed Transfer is consummated;

(iv) a fully executed and acknowledged written transfer agreement between the transferring Limited Partner and the transferee has been filed with the Partnership;

(v) the transferee will not cause a Material Adverse Effect, as defined in Section 7.4, as determined by the General Partner in its sole discretion;

(vi) the transferee has executed a copy of this Agreement; and

(vii) the General Partner determines, and such determination is confirmed by an opinion of counsel satisfactory to the General Partner and obtained at the expense of the transferor stating, that (A) the Transfer does not violate the Securities Act, applicable state securities laws, (B) the Transfer will not require the Partnership or the General Partner to register as an investment company under the Investment Company Act, (D) the Transfer will not require the General Partner or any Affiliate that is not registered under the Advisers Act to register as an investment adviser under the Advisers Act, (D) notwithstanding such Transfer, the Partnership shall continue to be treated as a partnership under the Code (including Section 7704 of the Code), (E) the Transfer is in compliance with applicable loan documents and any lender consents have been obtained in accordance with such loan documents, and (F) the Transfer will not violate the applicable laws of any state or the applicable rules and regulations of any Governmental Authority; *provided*, that the delivery of such opinion may be waived, in whole or in part, at the sole discretion of the General Partner; *provided, further*, that the General Partner shall not consent to any Transfer if such Transfer will cause any amounts to become due pursuant to or a default under any Subscription Line Facility.

(b) Notwithstanding the foregoing, the General Partner shall not unreasonably withhold consent to a Transfer that otherwise satisfies Section 7.2(a) in the event such Transfer is to (1) the heirs or legatees of such Limited Partner upon such Limited Partner's death or by operation of law or to such Limited Partner's spouse or children or trusts for their benefit, provided that such an heir, legatee, spouse, child or trust shall be an assignee and shall not be admitted to the Partnership as a substitute Limited Partner except upon compliance with Section 7.5(b)(i)-(iii) below, or (2) to another Limited Partner or Limited Partners of the Partnership with the prior written consent of the General Partner and provided the assignee has the financial capability to meet its obligations under this Agreement.

(c) If a Person who is a transferee in compliance with this Section 7.2 is not admitted to the Partnership as a Substitute Limited Partner pursuant to Section 7.5, such transferee shall be entitled only to the allocations and distributions with respect to its Interest in accordance with this Agreement and, to the fullest extent permitted by applicable law, shall not have any non-economic rights of a Limited Partner of the Partnership, including, without limitation, the right to require any information on account of the Partnership's business, inspect the Partnership's books, or vote on Partnership matters.

(d) Anything in this Agreement to the contrary notwithstanding, no sale, transfer or other assignment of a Unit may be made if such sale, transfer or assignment is to any Person who is not an "accredited investor" as such term is defined in the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder, and a "qualified client" as such term is defined in Rule 205-3 under the Advisers Act.

Section 7.3 Involuntary Withdrawal by Limited Partners.

(a) The death, Bankruptcy, dissolution, disability, or legal incapacity of a Limited Partner shall not dissolve or terminate the Partnership.

(b) Upon the death, Bankruptcy, dissolution or other cessation of existence of a Limited Partner, the authorized representative of such Limited Partner shall have all the rights of a Limited Partner for the purpose of settling or managing the estate or effecting the orderly winding up and disposition of the business of such Limited Partner and such power as such Limited Partner possessed to designate a successor as a transferee of its LP Units and to join with such transferee in making application to substitute such successor or transferee as a Substitute Limited Partner.

(c) No Limited Partner may voluntarily withdraw, resign or retire from the Partnership without the prior written consent of the General Partner, which consent may be granted or withheld in the General Partner's sole and absolute discretion. Each Limited Partner hereby waives any and all rights such Limited Partner may have to withdraw or resign from the Partnership pursuant to the Delaware Act or otherwise and hereby waives any and all rights such Limited Partner may now or hereafter have to receive the fair value of such Limited Partner's LP Units upon such withdrawal, resignation or retirement pursuant to the Delaware Act. Any purported admission, withdrawal or removal which is not in accordance with this Agreement shall be null and void and, in addition to other rights and remedies at law and in equity, the Partnership shall be entitled to injunctive relief enjoining the prohibited action. The Limited Partners expressly acknowledge that damages at law would be an inadequate remedy for a breach or threatened breach of the foregoing restrictions.

Section 7.4 Required Withdrawals. If at any time the General Partner determines that there is a reasonable likelihood that the continuing participation in the Partnership by any Limited Partner (a "MAE Limited Partner") will have a Material Adverse Effect (as defined below), such MAE Limited Partner will, at the request of the General Partner, use its best efforts to assign its entire Interest in the Partnership (or such portion thereof as is sufficient, in the reasonable discretion of the General Partner, to prevent or remedy such Material Adverse Effect) to any Person at a price acceptable to such MAE Limited Partner, in a transaction which complies with Article VII (provided that the admission of such assignee as substitute Limited Partner shall remain subject to Section 7.4). The General Partner agrees to provide any prospective transferee of such Interest with such reasonable access to the books and records of the Partnership as the General Partner reasonably determines is appropriate. If such MAE Limited Partner has not assigned its entire Interest in the Partnership (or such portion thereof as is sufficient, in the reasonable discretion of the General Partner, to prevent or remedy such Material Adverse Effect) within sixty (60) calendar days after the General Partner provides notification to such MAE Limited Partner of the determination set forth in the first sentence of this Section 7.4, then, notwithstanding anything to

the contrary herein, the General Partner shall have the right, but not the obligation, upon at least ten (10) Business Days' prior written notice to such MAE Limited Partner, to do, in its sole discretion, any or all of the following to prevent or remedy the Material Adverse Effect:

(a) prohibit such MAE Limited Partner from making any and all Capital Contributions with respect to future investments in Real Estate Investments and reduce its Capital Contribution Commitment accordingly;

(b) offer to any Person, including each other Limited Partner (other than a Defaulting Limited Partner), the opportunity to purchase all or a portion of such MAE Limited Partner's Interest in the Partnership at a cash price determined by an independent appraiser chosen by the General Partner and approved (which approval shall not be unreasonably withheld) by such MAE Limited Partner;

(c) liquidate all or any portion of such MAE Limited Partner's Interest in the Partnership or make a special distribution in respect of such Interest to such Limited Partner in an amount equal to the amount such MAE Limited Partner would receive (in the reasonable discretion of the General Partner) if the Partnership were to be dissolved and liquidated in accordance with Article VIII at such time, the General Partner determining in its sole discretion whether to distribute cash or LP Units or any combination of the foregoing; and/or

(d) dissolve the Partnership, if none of the above actions is sufficient (in the reasonable discretion of the General Partner) to prevent or remedy the Material Adverse Effect.

The details and documentation relating to any transaction or transactions set forth in this Section 7.4 shall be as determined by the General Partner in its reasonable discretion, except as otherwise expressly provided. Upon the closing of any transaction or transactions contemplated by this Section 7.4, the General Partner shall make such additional adjustments to the Percentage Interests, Capital Accounts, Capital Contribution Commitments and Capital Contributions of such MAE Limited Partner and of all other Limited Partners as it shall reasonably deem to be appropriate and shall promptly notify in writing the Limited Partners of the adjustments made. All reasonable costs and expenses in respect of such determinations and other matters referred to in this Section 7.4 shall be borne by such MAE Limited Partner.

Section 7.5 Substitution of Limited Partners.

(a) A substitute Limited Partner is a Person admitted to all the rights of a Limited Partner (a "Substitute Limited Partner"). An assignee is a person to whom a Limited Partner has assigned its LP Unit(s) in the Partnership but who has not become a Substitute Limited Partner. An assignee shall have no voting rights or any right to require any information or account of the Partnership's transactions or to inspect the Partnership's books, but shall only be entitled to receive the share of the Net Income, Net Losses, distributions, deductions, and credits, and the return of the Capital Contributions, to which its, his or her assignor would otherwise be entitled as set forth herein.

(b) No assignee of an LP Unit from a Limited Partner shall have the right to be admitted to the Partnership as a Substitute Limited Partner unless all of the following conditions are satisfied:

(i) A fully executed and acknowledged written instrument of assignment has been filed with the General Partner setting forth the intention of the assignor that the assignee become a Limited Partner in the assignor's place;

(ii) The assignor and assignee execute and acknowledge such other instruments as the General Partner may deem necessary or desirable to effect such admission, including the written acceptance and

adoption by the assignee of the provisions of this Agreement (including the Power of Attorney contained in Section 5.4) and the assumption by the assignee of all obligations of the assignor under this Agreement;

(iii) The assignee has paid all reasonable expenses incurred by the Partnership (including any legal and accounting fees) in connection with such transfer, including, but not limited to, the cost of the preparation of any amendment to this Agreement; and

(iv) Section 7.2 has been complied with and the General Partner has consented in writing to the substitution.

(c) Once the applicable conditions have been satisfied, an assignee of an LP Unit from a Limited Partner shall become a Substitute Limited Partner of the Partnership. Any Person so admitted to the Partnership as a Substitute Limited Partner shall be subject to all provisions of this Agreement as if originally a party hereto. The selling Limited Partner shall be released from all obligations except those obligations or liabilities of the selling Limited Partner arising out of the breach of this Agreement.

ARTICLE VIII TERMINATION OF THE FUND

Section 8.1 Dissolution.

(a) The Partnership shall be dissolved upon the first to occur of the following:

(i) Within a reasonable time, as determined by the General Partner in its sole discretion, after the sale or other disposition (not including an exchange) of all or substantially all of the Partnership's assets, except under circumstances where (A) all or a portion of the purchase price is payable after the closing of the sale or disposition or (B) the General Partner determines that it is advisable to maintain the existence of the Partnership for tax or other purposes;

(ii) The insolvency or Bankruptcy of the Partnership;

(iii) Subject to the provisions of Section 4.14 through Section 4.17, the Bankruptcy, dissolution, removal or other withdrawal of the General Partner or the Transfer of the General Partner's Interest in the Partnership;

(iv) The fifth (5th) anniversary of the date of the Investment Period Termination Date, unless extended by the General Partner (in its sole discretion) for up to two (2) additional one-year periods, unless further extended with the consent of a Majority of the Limited Partners;

(v) An election to dissolve the Partnership is made by the General Partner with consent of a Majority of the Limited Partners;

(vi) Upon the occurrence of an event specified under the laws of the State of Delaware as one effecting dissolution, except that where, under the terms of this Agreement, the Partnership is not to dissolve, then the Partnership shall immediately be reconstituted and reformed on all the applicable terms, conditions, and provisions of this Agreement; or

(vii) any other event causing dissolution of the Partnership under the Delaware Act.

(b) Dissolution of the Partnership shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the Certificate of Cancellation shall have been filed in accordance with the Delaware Act and the assets of the Partnership have been distributed as provided herein.

(c) The bankruptcy, insolvency or dissolution of a Limited Partner shall not cause the dissolution of the Partnership. In the event of the bankruptcy, insolvency or dissolution of a Limited Partner, such Limited Partner's trustee, receiver or other legal representative shall, subject to satisfaction of the requirements of Section 7.1 and Section 7.5 above, have the same rights that such Limited Partner would have if such Limited Partner had not suffered the foregoing, and the interest of such Limited Partner in the Partnership shall, until the termination of the Partnership, be subject to the terms, provisions and conditions of this Agreement as if such Limited Partner had not suffered the foregoing.

Section 8.2 Winding Up/Liquidation.

(a) Upon dissolution of the Partnership and subject to Section 8.2(b), the General Partner, or if the General Partner's withdrawal, removal, or Bankruptcy caused the dissolution of the Partnership, such other Person who may be appointed by consent of a Majority of the Limited Partners, who shall be responsible for taking all action necessary or appropriate to wind up the affairs and distribute the assets of the Partnership following its dissolution (the "Liquidator") shall wind up the affairs of the Partnership and proceed within a reasonable period of time to sell or otherwise liquidate the assets of the Partnership, subject to obtaining fair value for such assets and any tax or other legal considerations, and, after paying or making due provision by the setting up of reserves for all liabilities to creditors of the Partnership who are not Partners, distribute the proceeds therefrom among the Partners in accordance with Section 8.2(c).

(b) No Partner shall be liable for the return of the Capital Contributions of any other Partner; *provided*, that the foregoing clause shall not relieve any Partner of any other duty or liability it may have under this Agreement.

(c) Upon liquidation of the Partnership, all of the assets of the Partnership, and any proceeds therefrom, shall be applied in the following order of priority:

(i) First, to the creditors of the Partnership (including, without limitation, the Fund Advisor and any Partners that are creditors to the extent permitted by law, which shall include the General Partner to the extent it is owed any fees, reimbursements or payments, including, without limitation, pursuant to Section 4.9 or Section 4.10), in satisfaction of liabilities of the Partnership other than liabilities for distributions to Limited Partners, and as reasonable reserves thereof;

(ii) Second, to establish any reserves which the Liquidator may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership; and

(iii) Third, to the Partners in the same manner as distributions are made under Section 3.1(a).

(d) Upon dissolution of the Partnership, each Limited Partner shall look only to the assets of the Partnership for the return of such Limited Partner's Capital Contributions, and if the Partnership's assets remaining after payment and discharge of debts and liabilities of the Partnership, including any debts and liabilities owed to the General Partner and/or any one or more of the Limited Partners, are not sufficient to satisfy the rights of the Limited Partners, the Limited Partners shall have no recourse or further right or claim against the Partnership, the General Partner or any other Limited Partner.

(e) If any assets of the Partnership are to be distributed in kind, such assets shall be distributed on the basis of the fair market value thereof, and any Limited Partner entitled to any interest in such assets shall receive such interest therein as a tenant-in-common with all other Limited Partners so entitled; provided, however, that those assets that can be readily divided and distributed to Limited Partners shall be distributed so that each Limited Partner receives an undivided ownership interest in such assets. The fair market value of such assets shall be determined by the General Partner in its sole discretion.

(f) When the Liquidator has complied with the foregoing liquidation plan, the termination of the Partnership shall be effective on the filing of, and the General Partner or Liquidator shall file, a certificate of cancellation of the Certificate of Limited Partnership (the "Certificate of Cancellation") with the Office of the Secretary of State of the State of Delaware in accordance with the Delaware Act.

ARTICLE IX REPRESENTATIONS AND WARRANTIES OF THE GENERAL PARTNER

Section 9.1 Representations and Warranties of the General Partner. The General Partner represents, warrants and covenants to each Limited Partner that as of the date of the Initial Closing:

(a) The Partnership has been duly formed and is a validly existing limited partnership under the laws of the State of Delaware with full power and authority to conduct its business as described in this Agreement.

(b) The General Partner has been duly formed and is a validly existing limited liability company under the laws of the State of Delaware, with full power and authority to perform its obligations herein.

(c) All action required to be taken by the General Partner and the Partnership, as a condition to the issuance and sale of the LP Units being purchased by the Limited Partners, has been taken.

(d) The LP Units of each Limited Partner represent a duly and validly issued limited partnership interest in the Partnership and each Limited Partner is entitled to all the benefits of a Limited Partner under this Agreement and the Delaware Act.

(e) This Agreement has been duly authorized, executed and delivered by the General Partner and, assuming due authorization, execution and delivery by each Limited Partner, constitutes a valid and binding agreement of the General Partner enforceable in accordance with its terms against the General Partner, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity).

(f) Assuming the accuracy of the representations and warranties made by each Limited Partner pursuant to the relevant Subscription Agreement, (i) the Partnership is not required to register as an investment company under the Investment Company Act; and (ii) the offer and sale of the LP Units in accordance with the terms of the relevant Subscription Agreement does not require registration of the LP Units under the Securities Act.

**ARTICLE X
RESERVED**

**ARTICLE XI
BOOKS AND RECORDS; REPORTS; TAX ELECTIONS**

Section 11.1 Books and Records.

(a) The General Partner shall maintain at the office of the Partnership full and accurate books of the Partnership (which at all times shall remain the property of the Partnership), in the name of the Partnership and separate and apart from the books of the General Partner and its Affiliates, including a list of the names, addresses and interests of all Limited Partners and all other books, records and information required by the Delaware Act. The Partnership's books and records shall be maintained in U.S. dollars and in accordance with accrual accounting principles.

(b) Subject to the confidentiality provisions in Section 13.14, each Limited Partner shall be allowed access to review the books and records of the Partnership for a purpose reasonably related to such Limited Partner's Interest at the offices of the General Partner (or such other location designated by the General Partner in its sole discretion) during regular business hours, at such Limited Partner's expense and upon prior written request of the General Partner at least ten (10) Business Days' prior to the proposed date of inspection. The General Partner shall retain all records and books relating to the Partnership for a period of at least five years after the termination of the Partnership. Each Limited Partner agrees that (i) such books and records contain confidential information relating to the Partnership and its affairs that is subject to Section 13.14, and (ii) the General Partner shall have the right, except as prohibited by the Delaware Act, to prohibit or otherwise limit in its reasonable discretion the making of any copies of such books and records.

Section 11.2 Accounting Method; Fiscal Year. The accounting basis on which the books of the Partnership are kept shall be determined by the General Partner. The fiscal year of the Partnership (the "Fiscal Year") shall be the calendar year, unless otherwise required by the Code.

Section 11.3 Reports to Partners.

(a) Annual Reports. The General Partner shall use commercially reasonable efforts to cause to be prepared and furnished to each Limited Partner at the Partnership's expense with respect to each Fiscal Year of the Partnership within 90 days after the close of such Fiscal Year (subject to reasonable delays):

(i) unaudited financial statements of the Partnership (including an income statement, balance sheet, statement of cash flows, and statement of Partner's capital);

(ii) a summary description of (a) each Real Estate Investment, (b) any material event regarding the business of the Partnership, and (c) each disposition of a Real Estate Investment during such Fiscal Year; and

(iii) a statement of the amount of such Limited Partner's share in the Partnership's taxable income or loss for such Fiscal Year and information relating to the nature thereof, (including copies of IRS Schedule K-1) in sufficient detail to enable it to prepare its federal, state, and local income tax and information returns.

(b) Quarterly Reports. The General Partner shall cause to be prepared and furnished to each Limited Partner with respect to each fiscal quarter (other than the Partnership's last fiscal quarter of each Fiscal Year) within 60 days after the close of such fiscal quarter:

(i) unaudited financial statements of the Partnership; and

(ii) a summary description of (A) each Real Estate Investment, (b) any material event regarding the business of the Partnership, and (c) each disposition of a Real Estate Investment during such quarterly period.

(c) Upon the request of any Limited Partner, the General Partner shall also provide such Limited Partner in connection with the reports described in Section 11.3(a) and 12.3(b) an unaudited statement showing the distributions to such Limited Partner during the applicable quarterly period and the amount of such Limited Partner's Capital Account (including a reconciliation thereof with respect to the amount as of the end of the immediately preceding fiscal quarter).

(d) The financial reports and statements described in this Section 11.3 are dependent upon information to be provided to the General Partner by Joint Ventures and third parties (including operating partners) that may not be Affiliates of the General Partner. Therefore, notwithstanding the foregoing time periods set forth in this Section 11.3, the General Partner may furnish such reports and schedules to the Limited Partners after the expiration of such time periods, but as soon as reasonably practical, following receipt of all financial and other information from each of the Joint Ventures and any such third party necessary, advisable or desirable to prepare such documents.

(e) The General Partner will, to the maximum extent permitted by law, be deemed to have satisfied its obligations to transmit tax returns, financial statements and reports pursuant to this Article XI if the General Partner sends via electronic mail such returns, statements and/or reports or posts them on a secure website and gives notice to the Limited Partners of the availability of such returns, statements and/or reports, the URL address of the secure website and a password for access to such secure website, if necessary. Each Limited Partner hereby consents to the delivery of such returns, statements and reports via such secure website or via electronic mail; provided, however, the General Partner may deliver such returns, statements and reports in any other manner permitted for notices pursuant to Section 13.3.

Section 11.4 Tax Election; Tax Controversies

(a) Tax Elections. The General Partner may, if it so determines, make the election under Section 754 of the Code on behalf of the Partnership. In no event shall the Partnership or the General Partner be held responsible or liable for the failure to make such election. All other tax elections on behalf of the Partnership may be made or rescinded in the sole discretion of the General Partner.

(b) Partnership Representative. The General Partner is hereby designated as the "partnership representative" (the "Partnership Representative") as provided in Section 6223(a) of the Code (or under any applicable state or local law providing for an analogous capacity). Any expenses incurred by the Partnership Representative in carrying out its responsibilities and duties under this Agreement shall be an Operating Expense of the Partnership for which the Partnership Representative shall be reimbursed. The General Partner shall appoint an individual (the "Designated Individual") meeting the requirements of Treasury Regulation Section 301.6223-1(c)(3) as the sole person authorized to represent the Partnership Representative in audits and other proceedings governed by the Partnership Tax Audit Rules.

(c) Tax Examinations and Audits. The Partnership Representative is authorized and required to represent the Partnership in connection with all examinations of the affairs of the Partnership by any Taxing Authority, including any resulting administrative and judicial proceedings, and to expend funds of the Partnership for professional services and costs associated therewith. Each Partner agrees that any action taken by the Partnership Representative (and the Designated Individual in audits governed by the Partnership Tax Audit Rules) in connection with audits of the Partnership shall be binding upon such Partners and that such Partner shall not independently act with respect to tax audits or tax litigation affecting the Partnership. The Partnership Representative (and the Designated Individual in audits governed by the Partnership Tax Audit Rules) shall have sole discretion to determine whether the Partnership (either on its own behalf or on behalf of the Partners) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any Taxing Authority. Each Partner agrees to cooperate with the Partnership Representative and the Designated Individual and to do or refrain from doing any or all things reasonably requested by the Partnership Representative and the Designated Individual.

(d) Partnership Tax Audit Rules. Except as otherwise set forth herein, in the event of an audit of the Partnership that is subject to the Partnership Tax Audit Rules, the Partnership Representative and the Designated Individual, in their sole discretion, shall have the right to make any and all elections and to take any actions that are available to be made or taken by the Partnership Representative, the Designated Individual, or the Partnership under the Partnership Tax Audit Rules. The Limited Partners consent to the election set forth in Section 6226(a) of the Code and agree to take any action and furnish the Partnership Representative and the Designated Individual with any information reasonably necessary to give effect to such election if the Partnership Representative or the Designated Individual decides to make such election. In the event that an election under Section 6226(a) of the Code is not made, the Partnership Representative and the Designated Individual shall use commercially reasonable efforts to (i) reduce to the extent possible the amount of tax owed by the Partnership by making any modifications available under Section 6225(c)(3), (4), and (5) of the Code based on the status of the Limited Partners and (ii) allocate to the applicable Limited Partners the benefit of any such reduction. Any imputed underpayment imposed on the Fund pursuant to Section 6232 of the Code (and any related interest, penalties, or other additions to tax) that the Partnership Representative or the Designated Individual reasonably determines is attributable to one or more Limited Partners shall promptly be paid by such Limited Partners to the Partnership within 15 days following the Partnership Representative's or the Designated Individual's request for payment (and any failure to pay such amount shall be treated as a withholding in accordance with Section 3.1(c) and shall be recoverable as a reduction in subsequent distributions otherwise payable to such Limited Partners).

(e) Tax Returns and Tax Deficiencies. Each Partner agrees that such Partner shall not treat any Partnership item inconsistently on such Partner's federal, state, foreign or other income tax return with the treatment of the item on the Partnership's return. Any deficiency for taxes imposed on any Partner (including penalties, additions to tax or interest imposed with respect to such taxes and any tax deficiency imposed pursuant to Section 6226 of the Code) will be paid by such Partner and if required to be paid (and actually paid) by the Partnership, will be recoverable from such Partner.

(f) Tax Returns. The General Partner shall cause to be prepared and timely filed all US and non-US tax returns required to be filed by or for the Partnership.

(g) Certain Action Prohibited by Limited Partners. Neither the Partnership nor any Limited Partner shall take any action that would result in the Partnership being taxed as other than a "partnership" for Federal income tax purposes, including (but not limited to) electing to be taxed as other than a "partnership" by filing Form 8832.

(h) Survival. Notwithstanding anything to the contrary herein, the provisions of Section 3.1 and this Section 11.4 will survive the liquidation or dissolution of the Partnership, and each Limited Partner agrees to continue to be bound to the terms of Section 3.1 and this Section 11.4 following such Limited Partner's withdrawal from the Partnership.

ARTICLE XII WAIVER OF PARTITION

The Limited Partners hereby waive any right of partition, appraisal or any right to take any other action which otherwise might be available to them for the purpose of severing their relationship with the Partnership or their interest in assets held by the Partnership from the interest of the other Limited Partners.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Amendments.

(a) Except as provided in Section 13.8, no alteration, modification or amendment of this Agreement shall be made unless in writing and signed (in counterpart or otherwise) by the General Partner and a Majority of the Limited Partners, except that no alteration, modification or amendment of any Section hereof which would materially and adversely affect the economic interests of one or more (but not all) of the non-defaulting Limited Partners may be made (except as provided below) without the unanimous consent of all non-defaulting Limited Partners so adversely affected. An alteration, modification or amendment of any Section of this Agreement that materially and adversely affects the economic interests of all Limited Partners, as a class, may be made with the consent of the General Partner and a Supermajority of the Limited Partners, except that no increase in the amount required to be contributed to the Partnership by the Limited Partners, other than as required herein or under applicable law, may be made without the consent of all the Limited Partners.

(b) Any provision to the contrary contained herein notwithstanding, the General Partner may, without the consent or approval of any Limited Partners, make such amendments to this Agreement binding on the Limited Partners, which are necessary to (i) add to the representations, duties or obligations of the General Partner, (ii) effect changes of an administrative or ministerial nature or to correct a typographical error, cure ambiguities or cure any ambiguity, correct or supplement any provision herein which may be inconsistent with any other provisions herein or with the Memorandum, (iii) admit or withdraw one or more Partners in accordance with the terms of this Agreement, (iv) make changes to this Agreement negotiated with Limited Partners admitted to the Partnership after the Initial Closing so long as such changes do not materially adversely affect the rights and obligations of any existing Limited Partner, (v) change the name of the Partnership to, (vi) update the List of Limited Partners to reflect any changes in the information included therein, and (vii) delete from or add to any provision of this Agreement required to be so deleted or added by the U.S. Securities and Exchange Commission or a state securities commission, which addition or deletion is deemed by such commission to be for the benefit or protection of the Limited Partners; provided, however, that no amendment shall be adopted pursuant to this Section 13.1(b) unless the adoption thereof (y) is for the benefit of, or not materially adverse to, the interests of the Limited Partners, and (z) does not affect the status of the Partnership as a partnership for federal income tax purposes.

(c) Except as otherwise expressly provided for herein, whenever the General Partner desires to take any action which requires the consent or approval of all or a portion of the Limited Partners, the General Partner shall give written notice thereof (delivered in accordance with the requirements of Section 13.2) to each Limited Partner from which any consent or approval is required describing the proposed action. As soon as practicable

thereafter, each such Limited Partner shall give the General Partner written notice (delivered in accordance with the requirements of Section 13.2) that such Limited Partner either consents to or approves or does not consent to or approve the proposed action. In the event that any such Limited Partner fails to respond (as provided herein) on or before the twentieth (20th) day following notice, as provided herein, of any such proposed action by the General Partner requiring consent of the Limited Partners, that Limited Partner shall be conclusively presumed to have consented to or approved such action.

Section 13.2 Meetings and Voting.

(a) Call of Meetings. Meetings of the Partners may be called by the General Partner for any purpose permitted by this Agreement or the Delaware Act at a time and place reasonably selected by the General Partner. Except as otherwise specified herein, the General Partner shall give all Limited Partners not less than 15 nor more than 60 days' notice of the purpose of such proposed meeting and any votes to be conducted at such meeting. Partners may participate in a meeting by telephone or similar communications by means of which all Persons participating in the meeting can hear and be heard.

(b) Written Consents. The General Partner shall, where feasible, solicit required consents of the Limited Partners under this Agreement by written ballot with at least 15 days' notice or, if a written ballot is not feasible, at a meeting held pursuant to Section 13.2(a).

Section 13.3 Notices. Any notice, statement or report to be given under this Agreement shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by electronic mail (with confirmation of transmission) or any other form of electronic transmission that creates a record that may be retained, received and reviewed by the recipient thereof, if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; (d) on the date posted on a secure website or other electronic network if notice of such posting is also provided to the recipient thereof; or (e) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.3):

- (i) If to the General Partner:
LIV Development Fund I GP, LLC
2204 Lakeshore Drive, Suite 450
Birmingham, Alabama 35209
Phone: 205-484-2845
Attention: Jeff Hicks
Email: jeff@livdev.com

- (ii) If to the Partnership:
LIV Development Fund I, LP
c/o LIV Development Fund I GP, LLC
2204 Lakeshore Drive, Suite 450
Birmingham, Alabama 35209
Phone: 205-484-2845
Attention: Jeff Hicks

Email: jeff@livdev.com

(iii) If to any Limited Partner, to the mailing address or e-mail address for such Limited Partner appearing on the records of the Partnership.

Each Limited Partner hereby consents to receive statements, reports, tax returns and other notices provided under this Agreement via any of the delivery methods permitted under this Section 13.3 (including, without limitation, delivery via electronic email or other electronic transmission).

Section 13.4 Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware as interpreted by the courts of said State, notwithstanding any rules regarding choice of law to the contrary. The parties hereby agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be brought in the state or federal courts of the State of Alabama, County of Jefferson, so long as one of such courts shall have subject-matter jurisdiction over such suit, action or proceeding, and that any case of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Alabama. Each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Service of process, summons, notice or other document by registered mail to the address of the intended party shall be effective service of process for any suit, action or other proceeding brought in any such court. Each party hereto hereby acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 13.5 Binding Nature of Agreement. Except as otherwise provided, this Agreement shall be binding upon and inure to the benefit of the Partners and their personal representatives, successors and assigns.

Section 13.6 Additional Limited Partners. Each substitute, additional or successor Limited Partner shall become a signatory hereof by signing such number of counterparts of this Agreement and such other instrument or instruments and in such manner, as the General Partner shall determine. By so signing, each substitute, additional or successor Limited Partner, as the case may be, shall be deemed to have adopted and to have agreed to be bound by all the provisions of this Agreement; provided, however, that no such counterpart shall be binding until it shall have been signed by the General Partner.

Section 13.7 Validity. In the event that all or any portion of any provision of this Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

Section 13.8 Entire Agreement. This Agreement, the Memorandum, the Subscription Agreements of the Limited Partners, and any other written agreements between the General Partner or the Partnership and the Limited Partners executed in connection with the subscription by the Limited Partners, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter hereof and supersedes all prior arrangements or understandings with respect thereto; *provided* that, notwithstanding any other provision of this Agreement or any Subscription Agreement, the Partnership and/or the General Partner may enter into,

perform, amend, modify, waive or terminate side letters and similar written agreements to or with any Limited Partner(s) (collectively, "Side Letters") that have the effect of adding to or modifying the respective rights and obligations of such Limited Partner(s) with respect to the subject matter hereof and/or the terms of this Agreement or any Subscription Agreement as among the parties thereto without the consent of any other Limited Partner, and no Limited Partner not a party to any particular Side Letter is intended to be a third-party beneficiary thereof. Any rights or obligations (including rights or obligations under this Agreement or any Subscription Agreement) established or modified in such a Side Letter shall govern solely with respect to such Limited Partner(s) and the Partnership notwithstanding any other provision of this Agreement or any Subscription Agreement. The Limited Partners agree that notwithstanding any provision of this Agreement, each Side Letter may be amended, modified, waived or terminated by the General Partner and the Limited Partner(s) who are parties thereto without notice to, or the consent of, any other Limited Partner (so long as such amendment or modification does not materially adversely affect the respective interests of such other Limited Partner hereunder), and that the terms of any Side Letter are not, and need not be, disclosed.

Section 13.9 Waiver. Neither the failure nor any delay on the part of any party hereto to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and signed by the party asserted to have granted such waiver.

Section 13.10 Counterparts; Delivery of Original Forms. This Agreement, the agreements referred to herein, and each other agreement or instrument (including any joinder or deed of adherence) entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, may be executed in any number of counterparts, any one of which need not contain the signatures of more than one party, but all of such counterparts together shall constitute one agreement, and to the extent such agreement or instrument is signed and delivered by means of a facsimile machine or other electronic transmission, it will be treated in all manner and respects as an original agreement or instrument and will be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each party hereto or thereto will re-execute original forms thereof and deliver them to the requesting party. No party hereto or to any such agreement or instrument will raise the use of a facsimile machine or other electronic transmission to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or other electronic transmission as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

Section 13.11 Corporate Authority. Any corporation, partnership, limited liability company or other entity signing this Agreement represents and warrants that the execution, delivery and performance of this Agreement by such corporation, partnership, limited liability company or other entity has been duly authorized by all necessary corporate, partnership, limited liability company or entity action.

Section 13.12 Third Party Beneficiaries. Except as expressly provided to the contrary in this Agreement (including (a) those provisions which are expressly for the benefit of lenders under a Subscription Line Facility and including the authorization given to the General Partner to grant and assign to lenders and credit providers the security interests and rights described in Section 2.6(i) and Section 4.2 and (b) those provisions which are for the benefit of the Fund Advisor and the LIV Parties), this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors, and assigns) and nothing herein, express or implied,

is intended to or shall confer upon any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 13.13 Counsel. The General Partner, acting on behalf of the Partnership, has selected Dentons Sirote PC ("Partnership Counsel") as legal counsel to the General Partner when acting on behalf of the Partnership or the Fund (as applicable). Each Limited Partner acknowledges that Partnership Counsel does not represent any Limited Partner (in its capacity as such) and shall owe no duties directly to any Limited Partner (in its capacity as such) whether or not Partnership Counsel has in the past represented or is currently representing such Limited Partner with respect to other matters. Partnership Counsel may also be counsel to the General Partner and its Affiliates. The General Partner may execute on behalf of the Partnership and the Partners any consent to the representation of the General Partner when acting on behalf of the Partnership or the General Partner that counsel may request pursuant to the applicable rules of professional conduct in any jurisdiction. In the event any dispute or controversy (including litigation) arises between any Limited Partner and the General Partner when acting on behalf of the Partnership or itself, or between any Limited Partner or the General Partner when acting on behalf of the Partnership, on the one hand, and the General Partner (or an Affiliate of the General Partner) that Partnership Counsel represents, on the other hand, then each Limited Partner agrees that Partnership Counsel may represent either the General Partner when acting on behalf of the Partnership, or the General Partner (or its Affiliate), or both, in any such dispute or controversy to the extent permitted by the applicable rules of professional conduct in any jurisdiction, and each Limited Partner hereby consents to such representation. Except as otherwise agreed to by the General Partner in writing in its sole discretion, each Limited Partner shall, if it wishes counsel on a Partnership legal matter, retain its own independent counsel with respect thereto and shall pay all fees and expenses of such independent counsel. Each Limited Partner hereby consents to the provisions of this Section 13.13 and waives any present or future conflict of interest with Dentons Sirote PC regarding the Partnership.

Section 13.14 Confidentiality.

(a) Each Limited Partner shall maintain the confidentiality of (i) "Non-Public Information", (ii) any information subject to a confidentiality agreement binding upon the General Partner or the Partnership of which such Limited Partner has been provided written notice and (iii) the identity of other Limited Partners and their Affiliates so long as such information has not become otherwise publicly available unless, after reasonable notice to the Partnership by the Limited Partner, otherwise compelled by court order or other legal process or in response to other governmentally imposed reporting or disclosure obligations including, without limitation, any act regarding the freedom of information to which it may be subject; provided, that, for any bona fide business purpose reasonably related to its LP Units in the Partnership, each Limited Partner may disclose "Non-Public Information" to its Affiliates, officers, employees, agents, professional consultants, and regulators upon notification to such Affiliates, officers, employees, agents, consultants, or regulators that such disclosure is made in confidence and shall be kept in confidence; provided, further, that each Limited Partner shall be liable for any subsequent disclosure of any such Non-Public Information disclosed by it to any such Person.

(b) As used in this Section 13.14, "Non-Public Information" means information regarding the Fund, the Partnership, the General Partner and its Affiliates, any Real Estate Investment or potential investment, or any existing or potential counterparty of the Partnership or source of existing or potential Real Estate Investments received by such Limited Partner pursuant to this Agreement, but does not include information that was publicly known when received by such Limited Partner, subsequently becomes publicly known through no act or omission by such Limited Partner or is disclosed to such Limited Partner by a third party not known to such Limited Partner to be bound by any confidentiality obligation. The General Partner may not disclose the identities of the Limited Partners, except on a confidential basis to prospective and other Limited Partners in the Partnership, or to lenders,

third-party partners, or other financial sources. In the event a Limited Partner receives a request for the disclosure of information under freedom of information acts or similar statutes that is Non-Public Information, the Limited Partner shall (i) promptly notify the Partnership and the General Partner of the existence, terms, and circumstances surrounding such request, (ii) consult with the Partnership and the General Partner regarding taking steps to resist or narrow such request, (iii) if disclosure of such information is required, furnish only such portion of such information as such Limited Partner is advised by counsel is legally required to be disclosed, and (iv) cooperate with the Partnership and the General Partner in their efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the information that is required to be disclosed. Notwithstanding any provision of the Agreement to the contrary, the General Partner may withhold disclosure of any Non-Public Information (other than this Agreement or tax reports) to any Limited Partner if the General Partner reasonably determines that the disclosure of such Non-Public Information to such Limited Partner may result in the public disclosure of such Non-Public Information, and in such case the General Partner will use commercially reasonable efforts to make such information available to such Limited Partner through an alternate means; provided that such information will not thereby become subject to public disclosure.

ARTICLE XIV CERTAIN DEFINITIONS

Section 14.1 Definitions. Capitalized terms used in this Agreement and not defined elsewhere herein shall have the following meanings:

“Additional Limited Partner” shall have the meaning given to such term in Section 2.2(b).

“Adjusted Capital Account Deficit” means with respect to any Partner, the deficit balance, if any, in such Partner’s Capital Account as of the end of the relevant fiscal year or other period, after giving effect to the following adjustments:

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

(b) debit to such Capital Account the items described in (4), (5) and (6) of Treasury Regulations Section 1.704-1(b)(2)(ii)(d).

“Adjustment Amount” shall have the meaning given to such term in Section 2.6(b)(B).

“Advisers Act” means the Investment Advisers Act of 1940, as amended from time to time.

“Advisory Committee” shall have the meaning given to such term in Section 4.7(a).

“Advisory Committee Member” shall have the meaning given to such term Section 4.7(a).

“Affiliate” or “affiliate” means, with respect to any specified Person, any other Person (excluding, with respect to the General Partner and its affiliates, Joint Ventures (and their subsidiaries), Real Estate Investments, Other LIV Vehicles, and any joint ventures and subsidiaries of any Other LIV Vehicle) (i) controlling, controlled by, or under common control with such Person; (ii) any employee, officer, director, partner, member, manager or trustee of the specified Person; or (iii) if the specified Person is an officer, director, partner, member, manager or trustee of another Person, the other Person for which the specified Person acts in such capacity.

"Affiliated Limited Partners" means any Limited Partner that is a LIV Party or an Affiliate of a LIV Party.

"After-tax Amount" means an amount equal to (a) the amount of Promote Distributions to the LIV Partners Entity minus (b) the amount of income tax imposed on the LIV Partners Entity and its direct and indirect members with respect to allocations of taxable income related to such Promote Distributions based on the Assumed Tax Rate. In calculating the After-Tax Amount, (x) the Assumed Tax Rate shall be the Assumed Tax Rate in effect in the Fiscal Year of any such allocation, distribution, or sale and (y) the determination of the amount of income tax imposed shall include the aggregate allocations of losses, deductions, and credits received directly or indirectly from the Joint Venture that would be available to offset the taxable income or reduce the tax liability of the LIV Partners Entity, or its direct or indirect members, after all applicable restrictions on such tax items have been taken into account and assuming the only items of income, gain, loss, deduction, or credit of the LIV Partners Entity, or its direct or indirect members, are attributable to the LIV Partner Entity's investment in the Joint Venture.

"Agreement" means this Amended and Restated Limited Partnership Agreement, as it may be amended, modified, supplemented, or restated from time to time, as provided herein.

"Asset Management Fee" shall have the meaning given to such term in Section 4.10(b).

"Assumed Tax Rate" means the highest effective marginal combined federal, state, and local income tax rate for any fiscal year prescribed for an individual residing in the City of Birmingham, Alabama, taking into account the character (for example, long-term or short-term capital gain, ordinary or exempt) of the applicable income.

"Available Cash" means, with respect to any period for which such calculation is being made, the excess of (a) all cash and other gross proceeds received by the Partnership from whatever sources (including any Capital Proceeds and any reserves previously established by the General Partner which the General Partner determines are no longer required by the Partnership) and the fair market value of any investments of the Partnership available for distribution to the Limited Partners (as determined by the General Partner in its sole discretion), over (b) the sum of (without duplication) (i) Operating Expenses of the Partnership during such period, including payment of the Asset Management Fee, (ii) Partnership expenses relating to any Capital Transaction, (iii) any distributions previously made by the Partnership to the Limited Partners with respect to such period, and (iv) any amounts set aside by the General Partner in the Reserves during such period.

"Bankruptcy" means, with respect to any Person, the occurrence of any of the following: (a) the filing of an application by such Person for, or consent to, the appointment of a trustee of such Person's assets; (b) the filing by such Person of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing such Person's inability to pay its debts as they come due; (c) the making by such Person of a general assignment for the benefit of such Person's creditors; (d) the filing by such Person of an answer admitting the material allegations of, or such Person's consenting to, or defaulting in answering a bankruptcy petition filed against, such Person in any bankruptcy proceeding; or (e) the expiration of sixty (60) days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Person a bankrupt or appointing a trustee of such Person's assets.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required to close.

"Capital Account" shall have the meaning given to such term in Section 2.11.

"Capital Call Notice" shall have the meaning given to such term in Section 2.6(e).

“Capital Contribution Commitment” means, with respect to any Partner, the dollar amount such Partner has agreed to contribute in cash to the Partnership, as set forth opposite such Partner’s name on Schedule A. In the event that the obligation of any Limited Partner to make any portion of such Capital Contribution Commitment is forever released by the General Partner (including, without limitation, pursuant to Section 2.6(f) hereunder), the Capital Contribution Commitment referred to in the List of Limited Partners for such Limited Partner shall be reduced by the amount so released.

“Capital Contribution” means, with respect to any Partner, the aggregate amount of money and the initial Gross Asset Value of any property (other than money) actually contributed by such Partner to the Partnership or a Related Investment Vehicle pursuant to the terms of this Agreement.

“Capital Proceeds” means the net cash proceeds received by the Partnership from or as a result of a Capital Transaction after deducting (i) any expenses incurred in connection with such Capital Transaction, including the payment of any disposition fees; (ii) any amounts applied by the toward the payment of any indebtedness of the Partnership; (iii) the payment of any other Operating Expenses of the Partnership; and (iv) the establishment of reserves by the General Partner. If the proceeds of any Capital Transaction are paid in more than one installment, each installment shall be treated as a separate Capital Transaction for purposes of this definition.

“Capital Transaction” means (i) any transaction pursuant to which the Partnership or a Joint Venture finances or refinances mortgage indebtedness with respect to a Real Estate Investment; (ii) a sale, condemnation, exchange or a casualty not followed by reconstruction, assignment, merger, reorganization, or other disposition, whether by foreclosure or otherwise, of all or a portion of a Real Estate Investment owned by the Partnership or a Joint Venture; or (iii) an insurance recovery or any other transaction with respect to the Partnership or a Joint Venture which, in accordance with generally accepted accounting principles, is considered capital in nature.

“Cause” means a final determination by a court of competent jurisdiction or a government body, or an admission or plea of nolo contendere by the General Partner or any of its Affiliates in a settlement of any lawsuit, that the General Partner or any of its Affiliates has committed an act constituting bad faith, fraud, gross negligence, willful misconduct, a violation of federal securities laws, breach of fiduciary duty (to the extent not limited or eliminated by this Agreement), or a material breach of this Agreement that has a material adverse effect on the business of the Partnership.

“Closing” means each event of consummation of the admission of one or more Limited Partners to the Partnership in accordance with Section 2.2(b).

“Code” means the Internal Revenue Code of 1986, as amended.

“Co-Investment Opportunity” shall have the meaning given to such term in Section 6.1(a).

“Co-Investors” shall have the meaning given to such term in Section 6.1(a).

“Consent of the Advisory Committee” means either (i) the affirmative vote of a majority of the Advisory Committee Members participating in an Advisory Committee meeting where a quorum is present or (ii) a written consent signed by all of the Advisory Committee Members.

“Dead Deal Costs” means any fees, expenses or other costs (including, without limitation, legal, accounting, travel, due diligence, third party appraisals and valuations and other fees and out of pocket expenses)

paid by the Partnership or any Joint Venture in connection with the potential acquisition of an interest in any Real Estate Investment that is not consummated (no matter the reason).

"Default" shall have the meaning given to such term in Section 2.7(a).

"Default Capital Contribution" shall have the meaning given to such term in Section 2.6(f).

"Defaulting Limited Partner" shall have the meaning given to such term in Section 2.7(a).

"Defense" shall have the meaning given to such term in Section 2.6(i).

"Deficiency Capital Contributions" shall have the meaning given to such term in Section 2.6(f).

"Delaware Act" means the Delaware Revised Uniform Limited Partnership Act (6 Del. C. § 17) and any successor statute, as amended from time to time.

"Deployed Capital" shall mean, for any period, the excess of (i) the sum of (a) the Capital Contributions of the Limited Partners (subject to Section 2.1(c)) and (b) any outstanding indebtedness of (or on behalf of) the Partnership incurred under a Subscription Line Facility to bridge capital calls by the General Partner on Capital Contribution Commitments (and not indebtedness of the Partnership under another financing arrangement incurred to fund Real Estate Investments on an indefinite basis), over (ii) the amounts distributed to such Limited Partners that represent a return of principal or capital (as opposed to a preferred return on an investment) from Capital Proceeds.

"Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such fiscal year or other period; *provided, however*, that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such fiscal year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction allowable with respect to such asset for such fiscal year or other period bears to such beginning adjusted tax basis; and, *provided, further*, that if such beginning adjusted tax basis is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

"Event of Acceleration" shall mean the liquidation of the Partnership or of a Limited Partner's Interest as defined in Treasury Regulations Section 1.704-1(b)(2)(ii)(g).

"Existing Limited Partners" shall have the meaning given to such term in Section 2.6(b)(B).

"Expert" has the meaning set forth in Section 4.15(b).

"Fair Market Value" of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm's length transaction, as determined in good faith by the General Partner based on such factors as the General Partner, in the exercise of its reasonable business judgment, considers relevant.

"Fair Value" means the fair value of any Interest or Real Estate Investment, as determined in good faith by the General Partner or, in the case of Section 4.15 and Section 4.16, as determined by an Expert, using generally accepted valuation methods. All valuations shall be made taking into account all relevant factors that might

reasonably affect the sales price of the Interest or any Real Estate Investment in question. For all purposes of this Agreement, absent manifest error, all valuations made in accordance with the foregoing shall be final and conclusive on the Partnership, the Limited Partners, the General Partner, and their successors and assigns.

“Feeder Fund” means a Limited Partner that is formed by the General Partner or its Affiliates to serve as a vehicle which will invest all or substantially all of its investable assets in the Partnership.

“Feeder Fund Investor” means a limited partner or similar investor in any Feeder Fund.

“Final Closing” means the last Subsequent Closing, which may occur at any time on or prior to the Offering Termination Date.

“Fiscal Year” has the meaning set forth in Section 11.2.

“Fund” means the Partnership and any Parallel Vehicles, Alternative Investment Vehicles, and Feeder Funds, collectively.

“Fund Advisor” means LIV Development.

“Fund Advisor Agreement” means an agreement to be entered into among the Partnership, the General Partner, any Related Investment Vehicle, and/or the Fund Advisor as contemplated by Section 4.5.

“Fund Investors” means the Parallel Vehicle Limited Partners, and the Feeder Fund Investors (but not counting a Feeder Fund as a limited partner of the Fund).

“General Partner” means LIV Development Fund I GP, LLC, a Delaware limited liability company, or any other Person who becomes a successor general partner pursuant to the terms of this Agreement.

“Governmental Authority” means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed (or deemed contributed) by a Partner to the Partnership shall be the gross Fair Market Value of such asset on the date of contribution.

(b) The Gross Asset Values of all Partnership assets immediately prior to the occurrence of any event described in subsections (i) through (v) hereof shall be adjusted to equal their respective gross Fair Market Values, as of the following times:

(i) the acquisition of an interest in the Partnership by a new or existing Partner in exchange for more than a *de minimis* Capital Contribution, if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(ii) the distribution by the Partnership to a Partner of more than a *de minimis* amount of Partnership assets as consideration for an interest in the Partnership, if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iii) the issuance of an interest in the Partnership (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Partnership, if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iv) the liquidation of the Partnership within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); and

(v) at such other times as the General Partner shall determine (in good faith, after consulting with the Partnership's tax advisors) to be necessary, appropriate or advisable in order to comply with Treasury Regulations Sections 1.704-1(b) and 1.704-2.

(c) The Gross Asset Value of any Partnership asset distributed (or deemed distributed) to a Partner shall be the gross Fair Market Value of such asset on the date of distribution.

(d) The Gross Asset Values of Partnership assets shall be increased or decreased to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and subsection (e) of the definition of "Net Income or Net Loss" or Section 3.3(e); *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this subsection (d) to the extent that the General Partner reasonably determines that an adjustment pursuant to subsection (b) is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subsection (d).

(e) If the Gross Asset Value of an asset has been determined or adjusted pursuant to subsections (a), (b) or (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Income and Net Losses (and not the depreciation, amortization or other cost recovery deductions allowable with respect to that asset for federal income tax purposes).

"Indemnitee" has the same meaning as LIV Party.

"Initial Closing" means the Closing described as the "Initial Closing" in the Memorandum.

"Initial Closing Date" means the date of the Initial Closing.

"Interest" means the ownership interest of a Partner in the Partnership at any particular time, including the right of such Partner to any and all benefits to which such Partner may be entitled as provided in this Agreement or under the Delaware Act, together with the obligations of such Partner to comply with all the terms and provisions of this Agreement and of the Delaware Act.

"Investment Committee" shall have the meaning given to such term in Section 4.6(a).

"Investment Committee Member" shall have the meaning given to such term in Section 4.6(b).

"Investment Company Act" means the Investment Company Act of 1940, as amended.

"Investment Period" means the period beginning on the Initial Closing Date and expiring on the earlier of (such earlier date, the "Investment Period Termination Date"): (i) the date on which all the aggregate Remaining Capital Contribution Commitments of the Partners have been used, committed, or reserved for a specified purpose (including, without limitation, Real Estate Investments and Operating Expenses), and (ii) the second (2nd) anniversary (or third (3rd) anniversary, if extended by the General Partner in its sole discretion) of the date of the Final Closing. The General Partner shall provide written notice to the Limited Partners of any extension or early termination of the Investment Period.

"Joint Venture" means any subsidiary, joint venture, limited liability company, or partnership arrangement (other than the Partnership) in which the Partnership and/or any Related Investment Vehicle is a co-venturer, member or partner that has been established to directly or indirectly acquire one or more Real Estate Investments.

"Liabilities" shall have the meaning given to such term in Section 4.11(c).

"Limited Partners" means the Persons admitted to the Partnership as a limited partner in accordance with the terms of this Agreement and identified as "Limited Partners" on the List of Limited Partners. Any reference in this Agreement to the Limited Partners shall be deemed to reference the Fund Investors if the context so requires.

"List of Limited Partners" shall have the meaning given to such term in Section 2.2(a). Any reference in this Agreement to the List of Partnership Limited Partners shall be deemed a reference to the List of Partnership Limited Partners in effect from time to time.

"LIV Development" means, collectively, LIV Development, LLC, a Delaware limited liability company, and any predecessors or successors thereto, and any Affiliate thereof.

"LIV Partners Entity" means any limited liability company formed on behalf of the LIV Principals for the purpose of investing in a particular Real Estate Investment indirectly through a Joint Venture alongside the Partnership.

"LIV Party" means the LIV Principals, the General Partner, the Fund Advisor and each of their current and former Affiliates and subsidiaries, the Investment Committee Members and all other officers, directors, managers, employees, partners, members, shareholders, agents and advisors of the General Partner, the Fund Advisor, and their respective Affiliates.

"LIV Principals" means, individually or collectively as the context may require, Robert B. Crumpton, III, Thomas Spies, Andrew Murray, Michael Mummert, Jeff Hicks, Jason Bailey, and Katie Stripling.

"LP Units" shall have the meaning given to such term in Section 2.3.

"MAE Limited Partner" shall have the meaning given to such term in Section 7.4.

"Majority of the Limited Partners" means any one or more of the Limited Partners whose aggregate Percentage Interests in the Partnership (excluding the LP Units and Percentage Interests of any Defaulting Limited Partners at the time of calculation) exceed fifty percent (50%).

“Malfeasance” means, with respect to any Person, any act or omission which constitutes (a) actual fraud, (b) bad faith, (c) a willful violation of law that has a material adverse effect on the business of the Partnership, or (d) willful misconduct or gross negligence that has a material adverse effect on the business of the Partnership.

“Management Fee” means the Asset Management Fee.

“Management Fee Payment Date” has the meaning set forth in Section 4.10(b).

“Material Adverse Effect” means the determination by the General Partner, in its reasonable discretion, that such contribution or participation by such MAE Limited Partner, when taken by itself or together with the contributions or participation by any other Limited Partners, is reasonably likely to (i) result in a violation of a statute, rule or regulation of a United States federal, state or local or foreign governmental authority, (ii) subject the Partnership to any material filing, material regulatory requirement (including the registration or other requirements of the Investment Company Act) or material tax to which it would not otherwise be subject, or materially increase such tax, or make such filing or regulatory requirement substantially more burdensome, or (iii) have any adverse effect on any of the federal or state regulatory authorizations, waivers or exemptions of the Partnership.

“Memorandum” means the Partnership’s Confidential Private Placement Memorandum dated March 22, 2023 as supplemented or amended from time to time by the General Partner.

“Net Income” or “Net Loss” means an amount equal to the Partnership’s taxable income or taxable loss, or particular items thereof, with respect to applicable investments or activity, determined in accordance with the principles of Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction or expense required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments, it being the intention not to duplicate any item of income or loss:

(a) any income realized by the Partnership that is exempt from federal income taxation, as described in Code Section 705(a)(1)(B), shall be added to such taxable income or taxable loss, notwithstanding that such income is not includable in gross income;

(b) any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of Net Income or Net Loss shall be taken into account in computing such taxable income or loss;

(c) in the event the Gross Asset Value of any Partnership asset is adjusted pursuant to subsection (b) or subsection (c) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Income or Net Loss;

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

(e) to the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Partner’s Interest in the Partnership, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases

the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income or Net Loss;

(f) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation; and

(g) notwithstanding any other provision of this definition of Net Income or Net Loss, any items which are specially allocated pursuant to Article III shall not be taken into account in computing Net Income or Net Loss.

The amounts of the items of Partnership income, gain, loss, deduction or expense available to be specially allocated pursuant to Article III (other than Section 3.4) shall be determined by applying rules analogous to those set forth in this definition of Net Income or Net Loss.

“New LP Units” shall have the meaning given to such term in Section 2.6(b).

“Nonrecourse Deduction” shall have the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

“Nonrecourse Liability” shall have the meaning set forth in Treasury Regulations Sections 1.704-2(b)(3) and 1.752-1(a)(2).

“Offering” means the offering of LP Units of the Partnership as described in the Memorandum.

“Offering Termination Date” means the earliest of (i) the completion of the Maximum Offering (as defined in the Memorandum), (ii) December 31, 2023, or (iii) a determination by the General Partner to terminate the Offering in its sole discretion.

“Operating Expenses” means, to the extent not borne or reimbursed by a Joint Venture or a Real Estate Investment, all organizational and operating expenses of the Partnership, including the following: all cash expenditures of the Partnership, the Joint Ventures, the General Partner, the Fund Advisor, and/or their affiliates for or on behalf of the Partnership or a Joint Venture, related to the organization and operation of the Partnership and the Joint Ventures; all fees and expenses payable by the Partnership and/or the Joint Ventures in connection with owning, operating, managing and/or monitoring the Real Estate Investments; expenses payable by or allocable to the Partnership under this Agreement, including the Asset Management Fee; all costs and expenses associated with the organization of the General Partner, the Joint Ventures and the Partnership and of the initial offering or sale of LP Units; all continuing costs and expenses associated with the offering or sale of LP Units (including without limitation fees and expenses of attorneys and accountants, filing fees, printing and mailing costs); all costs and expenses associated with negotiating and entering into contracts and arrangements in the ordinary course of the Partnership’s and the Joint Ventures’ business; all costs and expenses of third party administrators retained for Partnership purposes; insurance premiums for any insurance providing coverage to the Partnership, the Joint Ventures and/or the Real Estate Investments; all legal, accounting, brokerage and other professional, expert and consulting fees and expenses arising in connection with the Partnership’s and Joint Ventures’ business; all costs and expenses relating to hosting meetings of the Advisory Committee (including the reimbursement of travel expenses for the Advisory Committee Members); the Partnership’s proportionate share of travel expenses; all interest on Partnership and Joint Venture borrowings and other obligations; any taxes or other government charges payable by the Partnership or a Joint Venture; all extraordinary expenses of the Partnership and Joint Ventures, such as litigation costs; indemnification obligations, including first party indemnification as provided in this Agreement and third party indemnification arising under contracts to which the Partnership or a Joint Venture may be made a party; and all other Partnership custodial, offering, operating

and reasonable costs and expenses incurred in identifying, evaluating, arranging, negotiating, structuring, trading, or settling any transaction directly or indirectly consummated by the Partnership or a Joint Venture. Organizational and initial offering expenses will be advanced or payable by the General Partner and its affiliates, will be reimbursed to them or paid directly by the Partnership and will be capitalized and amortized over 60 months from the Initial Closing Date. For the avoidance of doubt, "Operating Expenses" shall not include Dead Deal Costs.

"Other Business" shall have the meaning given to search term in Section 4.8.

"Other LIV Vehicle" means LIV Development, LIV Apartment Partners, LLC, and any fund, joint venture, limited liability company, Person or other vehicle managed or advised by the General Partner, the LIV Principals, the Fund Advisor, or any of their respective Affiliates, other than the Partnership, the Parallel Vehicle, the Feeder Fund, any Co-Invest Vehicle, or any Alternative Investment Vehicle.

"Parallel Vehicle Commitment" means, with respect to each Parallel Vehicle Partner at any time, the amount of its commitment reflected in the books and records of the applicable Parallel Vehicle.

"Parallel Vehicle Limited Partner" means any Person that is listed as a limited partner, member, or other equity holder of a Parallel Vehicle in the books and records of such Parallel Vehicle.

"Parallel Vehicle Partner" means any Parallel Vehicle Limited Partner and/or the general partner, managing member or other acting manager, as applicable, of a Parallel Vehicle.

"Parallel Vehicles" has the meaning set forth in Section 6.3(a).

"Partner(s)" means, as the context may require, some or all of the General Partner and the Limited Partners.

"Partner Minimum Gain" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulations Section 1.704-2(i).

"Partner Nonrecourse Debt" shall have the meaning set forth in Treasury Regulations Section 1.704-2(b)(4).

"Partner Nonrecourse Deductions" shall have the meaning set forth in Treasury Regulations Section 1.704-2(i), and the amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership year shall be determined in accordance with the rules of Treasury Regulations Section 1.704-2(i)(2).

"Partnership" shall have the meaning given to such term in the introductory paragraph of this Agreement.

"Partnership Minimum Gain" shall have the meaning set forth in Treasury Regulations Section 1.704-2(b)(2), and the amount of Partnership Minimum Gain, as well as any net increase or decrease in Partnership Minimum Gain, for a Partnership year shall be determined in accordance with the rules of Treasury Regulations Section 1.704-2(d).

"Partnership Opportunity" shall have the meaning given to search term in Section 4.8.

"Partnership Representative" shall have the meaning given to such term in Section 11.4.

"Partnership Tax Audit Rules" means Sections 6221 through 6241 of the Code, as amended by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74 and Section 411 of the Protecting Americans from Tax Hikes Act of 2015, Pub. L. 114-113, div. Q, together with any guidance issued thereunder or successor provisions and any similar provisions of foreign, state, or local tax laws.

"Percentage Interest" means, with respect to any Partner at any particular time, a fraction (expressed as a percentage) equal to the amount of Capital Contributions made by such Partner at such time divided by the total Capital Contributions made by all Partners at such time, as may adjusted from time to time in accordance with the provisions of this Agreement.

"Person" means an individual, corporation, partnership, limited liability company, limited partnership, association, joint stock company, trust, unincorporated organization or any other commercial entity.

"Pledged Collateral" shall have the meaning given to such term in Section 2.7(d).

"Pre-Closing Investment" has the meaning set forth in Section 4.2(c).

"Preferred Return" means, with respect to any Partner, an eight percent (8%) per annum cumulative preferred return, compounded annually, on the amount of each Capital Contribution made by such Partner. Preferred return is computed for the period that starts on the later of the due date or the date of funding of each Capital Contribution and ends as to each portion of a Capital Contribution or the accrued and unpaid eight percent (8%) per annum cumulative preferred return thereon, as applicable, when such portion or the accrued and unpaid eight percent (8%) per annum cumulative preferred return thereon is distributed pursuant to Section 3.1(a)(ii).

"Prime Rate" means the U.S. prime rate listed from time to time in *The Wall Street Journal*, which listing appears as of the date hereof under the capital "Money Rates", plus two percent (2%).

"Project Services" means financial, reporting, administration, tax, internal, audit, legal, technology, design, development management, leasing, equipment leasing, construction management, property management, and corporate services (including accounting).

"Promote Distributions" means any disproportionate distributions indirectly received by the LIV Principals from a Joint Venture on account of the LIV Principals' ownership of a LIV Partners Entity (i.e., disproportionate distributions made by a Joint Venture to a LIV Partners Entity and such disproportionate distributions are ultimately received by the LIV Principals) that do not represent a return of or a return on the capital contributions made, or deemed made, by the LIV Partners Entity to the Joint Venture, less any amounts required to be repaid pursuant to Section 4.18(a).

"Real Estate Assets" means equity interests, debt interests, debt- or equity-related interests, participations, leasehold interests, or other direct or indirect interests in or relating to single or multiple real estate properties or assets (including land, buildings and other improvements and related personal or intangible property), pools or portfolios of real estate properties or assets, partial interests or rights in real estate properties or assets, options, forward commitments, rights of refusal, rights of offer and similar rights in respect of real estate properties or assets or portions thereof, and debt or equity securities and other interests in real estate or real estate-related companies (listed or non-listed) (and any swaps, including credit default and total return swaps, and other over-the-counter derivative instruments to leverage, access or enhance such interests and any investments in options, futures contracts or other derivative securities to hedge interest rate exposure or to otherwise protect, hedge or enhance an existing or prospective investment in, or with respect to the timing of, an existing or prospective investment).

“Real Estate Investment” means any investment of the Partnership in Real Estate Assets, whether directly or indirectly (other than pursuant to a Money Market Investment) through a Joint Venture or through the acquisition of or investment in a Person or otherwise. For the avoidance of doubt, an investment may include similar parcels, but each such parcel shall not be deemed a separate Real Estate Investment, unless otherwise determined by the General Partner.

“Recalled Capital Amounts” shall have the meaning given to such term in Section 3.1(c).

“Regulatory Allocations” shall have the meaning given to such term in Section 3.3(g).

“Reinvestments” shall have the meaning given to such term in Section 4.3.

“Recalled Capital Amount” shall have the meaning given to such term in Section 3.1(c).

“Related Investment Vehicle” means any Parallel Vehicle or Alternative Investment Vehicle.

“Related Vehicle Manager” means the general partner, managing member or other similar manager of any Related Investment Vehicle.

“Remaining Capital Contribution Commitment” means, with respect to any Partner at any given time, such Partner's Capital Contribution Commitment adjusted as follows: (a) reduced by such Partner's Capital Contributions and (b) increased by (i) any Capital Contributions of such Partner returned in accordance with this Agreement that expressly remains subject to capital call, (ii) True-up Capital as a Contribution (but excluding any Adjustment Amount paid in accordance with Section 2.6(b)(B)), and (iii) Recalled Capital Amounts.

“Reserves” shall have the meaning given to such term in Section 4.13.

“Securities Act” means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

“Side Letters” shall have the meaning given to such term in Section 13.8.

“Subscription” means the date on which a prospective Limited Partner makes a commitment to purchase LP Units in the Partnership by submitting the subscription materials referred to in the Memorandum.

“Subscription Agreement” means the agreement executed and delivered by a prospective limited partner pursuant to which it makes a Capital Contribution Commitment to the Partnership and agrees to be bound by the terms of this Agreement.

“Subscription Line Facility” shall have the meaning given to such term in Section 2.6(i).

“Subscription Line Lender” shall have the meaning given to such term in Section 2.6(i).

“Subscription Line Loan Documents” shall mean, collectively, all notes, agreements, security documents and other instruments evidencing, securing or otherwise governing the Subscription Line Facility.

“Subsequent Closing” means a Closing that occurs after the Initial Closing, at which any Existing Limited Partner increases its Capital Contribution Commitment to the Partnership (or any Related Investment Vehicle), or

any additional Person is admitted to the Partnership as a Limited Partner (or the equivalent of any Related Investment Vehicle).

"Subsequent Closing Capital Contribution" shall have the meaning given to such term in Section 2.6(b).

"Substitute Limited Partner" has the meaning set forth in Section 7.5(a).

"Supermajority of the Limited Partners" means any one or more of the Limited Partners, whose aggregate Percentage Interests in the Partnership (excluding the LP Units and Percentage Interests of any Defaulting Limited Partners at the time of calculation) equals or exceed seventy-five percent (75%).

"Taxing Authority" means any federal, state, local or foreign taxing authority.

"Transfer" means any transfer, sale, assignment, bequest, disposition, pledge, grant of a security interest in, exchange, encumbrance or other alienation, whether for value or no value and whether voluntarily or involuntary (including, without limitation, by realization upon any encumbrance or by operation of law, or by judgment, levy, attachment, garnishment, bankruptcy or other equitable or legal proceedings) or enter into any agreement or make any attempt to effect any of the foregoing with respect to all or any portion of an Interest (including a Limited Partner's LP Units).

"Treasury Regulations" means regulations promulgated by the Department of Treasury of the United States in respect of the Code.

"True-Up Capital Contribution" shall have the meaning given to such term in Section 2.6(b).

"UCC" means the Uniform Commercial Code as in effect in the State of Delaware (6 Del. C. § 8-101, *et seq.*).

"Unreturned Capital" of a Partner means, as of the date of determination, the sum of such Partner's Capital Contributions, reduced by the aggregate amount of all distributions made by the Partnership to such Partner pursuant to Section 3.1(a)(i), such distributions representing a return of such Partner's Capital Contributions.

"Withdrawing Limited Partner" has the meaning set forth in the Recitals.

Section 14.2 Rules of Construction.

Except as otherwise explicitly specified in this Agreement to the contrary, (i) references to an Article, Section or Schedule mean an Article or Section of or Schedule to, this Agreement, unless another agreement is specified; (ii) the word "including" is to be construed as "including, without limitation"; (iii) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole; (iv) words in the singular or plural form include the plural and singular form, respectively; (v) pronouns are to be deemed to refer to the masculine, feminine or neuter, as the identity of the Person or Persons requires; (vi) the words "asset" and "property" are to be construed to have the same meaning and effect and to refer to all tangible and intangible assets and properties, including cash, securities, accounts, contract rights and real and personal property; (vii) references to a particular Person include such Person's successors and permitted assigns; (viii) references to a particular statute, rule or regulation include all rules and regulations thereunder and any predecessor or successor statutes, rules or regulations, in each case as amended or otherwise modified from time to time; (ix) references to a particular agreement, document, instrument or certificate mean such agreement, document, instrument or

certificate as amended, supplemented or otherwise modified from time to time if permitted by the provisions thereof; (x) references to “Dollars” or “\$” are references to United States Dollars; (xi) an accounting term not otherwise defined in this Agreement has the meaning ascribed to such term in accordance with United States generally accepted accounting principles; and (xii) references to “written” or “in writing” include electronic form. The headings of Articles, Sections and Schedules are provided for convenience only and are not to affect the construction or interpretation of this Agreement.

(a) The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement is to be construed as if drafted jointly by the parties and no presumption or burden of proof is to arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

(b) If any period for giving notice or taking action under this Agreement expires on a day that is not a Business Day, the time period is to be automatically extended to the Business Day immediately following such day. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period is to be excluded.

[Signature Pages Follow]

Each of the undersigned has duly executed this Agreement, or caused this Agreement to be duly executed by an authorized representative of the undersigned, as of the day and year first above written.

PARTNERSHIP:

LIV Development Fund I, LP,
a Delaware limited partnership

By: LIV Development Fund I GP, LLC,
a Delaware limited liability company,
its General Partner

By: _____
Name: _____
Title: Manager

GENERAL PARTNER:

LIV Development Fund I GP, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: Manager

WITHDRAWING LIMITED PARTNER:

Jeff Hicks

[SIGNATURES OF LIMITED PARTNERS FOLLOW]

The undersigned has duly executed this Amended and Restated Agreement of Limited Partnership of LIV Development Fund I, LP, or caused this Agreement to be duly executed by an authorized representative of the undersigned, to be effective as of the date of admission of the undersigned as a Limited Partner of the Partnership as set forth below.

LIMITED PARTNER:

(Signature)

(Print Name)

Address: _____

The above Limited Partner is admitted as a Limited Partner of the Partnership effective as of the date set forth below.

GENERAL PARTNER:

LIV Development Fund I GP, LLC,
a Delaware limited liability company

By: _____
Name:
Title: Manager

Date of Admission: _____, 202__

(Signature Page for a Limited Partner that is an individual)

The undersigned has duly executed this Amended and Restated Agreement of Limited Partnership of LIV Development Fund I, LP, or caused this Agreement to be duly executed by an authorized representative of the undersigned, to be effective as of the date of admission of the undersigned as a Limited Partner of the Partnership as set forth below.

LIMITED PARTNER:

(Name of Entity)

By: _____

Name: _____

Title: _____

Address: _____

The above Limited Partner is admitted as a Limited Partner of the Partnership effective as of the date set forth below.

GENERAL PARTNER:

LIV Development Fund I GP, LLC,
a Delaware limited liability company

By: _____

Name:

Title: Manager

Date of Admission: _____, 202__

(Signature Page for a Limited Partner that is an entity)

SCHEDULE A

LIST OF PARTNERS AS OF [_____], 2023

Partner	Capital Contribution Commitment	Capital Contributions Made	Remaining Capital Contribution Commitment	LP Units
General Partner				
LIV Development Fund I GP, LLC 2204 Lakeshore Drive, Suite 450 Birmingham, Alabama 35209 Phone: 205-484-2845 Attention: Jeff Hicks Email: jeff@livdev.com	5% of the Capital Contribution Commitments of the Limited Partners			
Limited Partners				
[Name] [Address] [City, State] [Phone] [Email]	\$[Amount]	\$[Amount]	\$[Amount]	[Number]
[Name] [Address] [City, State] [Phone] [Email]	\$[Amount]	\$[Amount]	\$[Amount]	[Number]
[Name] [Address] [City, State] [Phone] [Email]	\$[Amount]	\$[Amount]	\$[Amount]	[Number]
[Name] [Address] [City, State] [Phone] [Email]	\$[Amount]	\$[Amount]	\$[Amount]	[Number]

EXHIBIT B

SUBSCRIPTION DOCUMENTS

(See Attached)

SUBSCRIPTION BOOKLET

LIV DEVELOPMENT FUND I, LP

Name of Investor: _____

If the prospective investor does not wish to subscribe for a limited partnership interest in LIV Development Fund I, LP, a Delaware limited partnership (the "Fund"), or if the prospective investor's subscription is rejected, please return the Fund's Amended and Restated Agreement of Liability Partnership, as amended from time to time, and this Subscription Booklet (collectively, along with any ancillary agreements related thereto, the "Fund Documents") to LIV Development Fund I GP, LLC (the "General Partner"). The Fund Documents may not be reproduced, duplicated or delivered, in whole or in part, to any other Person (other than confidentially to legal counsel and professional advisors to the prospective investor) without the prior written consent of the General Partner. As used herein, "Person" means and includes any individual, partnership, company, limited company, limited liability company, corporation, limited partnership, joint venture, trust, business trust, cooperative, association or any other entity.

**LIV DEVELOPMENT FUND I, LP
INSTRUCTIONS**

This Subscription Booklet relates to the offering of units of limited partnership interest (the “LP Units”) in LIV Development Fund I, LP, a Delaware limited partnership (the “Fund”). The Investor (as defined below) should read the Confidential Private Placement Memorandum dated March 22, 2023 (as supplemented from time to time, the “Memorandum”), the attached Subscription Agreement (the “Subscription Agreement”) and the Amended and Restated Agreement of Limited Partnership of the Fund (as amended from time to time, the “LP Agreement” and, together with the Memorandum and the Subscription Agreement, the “Offering Materials”). The Investor must complete all of the information required in this Subscription Booklet in the manner described below. For purposes hereof, the “Investor” is the Person for whose account the LP Units are being purchased. If this Subscription Booklet is being completed by a nominee, custodian or trustee on behalf of the Investor, please refer to Section 3(p) of the Subscription Agreement.

UPON COMPLETION AND EXECUTION OF THE SUBSCRIPTION BOOKLET AS DIRECTED BELOW, PLEASE SEND THE SUBSCRIPTION BOOKLET TO JEFF HICKS AT: jeff@livdev.com.

If you return the originally executed copies of all these documents, please send them via overnight delivery service to the address below:

LIV Development Fund I GP, LLC
2204 Lakeshore Drive, Suite 450,
Birmingham, AL 35209
Attention: Jeff Hicks
Phone: (205) 484-2845
E-mail: jeff@livdev.com

Please complete and execute one (1) copy of the following and deliver them as indicated above:

1. Signature page to the Subscription Agreement on PAGE 13
2. Investor Information Sheet on PAGES 14-16
3. Accredited Investor Questionnaire on PAGES 17-19
4. US Person Status Questionnaire on PAGES 20-21
5. Consent to Electronic Delivery of U.S. Internal Revenue Service Schedule K-1 and Disclosure Statement on PAGES 22-23 if you wish to receive your Schedule K-1 in respect of the Fund through electronic delivery.
6. Signature Page to the LP Agreement which follows PAGE 24
 - (a) Individual Investor
 - (b) Entity Investor
7. Internal Revenue Service Withholding Form W-9, which is the LAST PAGE in this Booklet

Evidence of Authorization

Each prospective Investor must provide satisfactory evidence of authorization, such as a list of authorized agents, and a current copy of a government-issued photo identification for the individual(s) authorized to sign the Subscription Agreement.

For Individuals:

For individual Investors (i.e., natural persons), please submit a copy of a government-issued form of identification, such as a driver's license or passport. If an individual Investor is using a third party to act on his/her behalf, a copy of the driver's license or passport of that third party should also be provided. If the copy of the driver's license or passport of the Investor or third party does not contain the individual's current address, an additional government-issued identification document certifying the individual's name and current address is required. For joint account holders, the information listed above should be provided for each individual.

For Entities and Trusts:

For Investors other than individuals (e.g., entities such as an LLC or a trust), please submit documentation evidencing the authority of the signatory to act on behalf of and bind the Investor as well as a list of authorized signatories. Generally, Investors that are corporations should submit certified corporate resolutions authorizing the subscription and identifying the corporate officer empowered to sign the Subscription Agreement. Investors that are partnerships should submit a certified copy of the partnership agreement and resolutions authorizing the subscription. Investors that are limited liability companies should submit a copy of their operating agreement and resolutions authorizing the subscription. Investors that are trusts should submit a copy of the trust agreement and resolutions authorizing the transaction. Entities may be requested to furnish other or additional documentation evidencing their authority to invest in the Fund.

After receipt of a completed Subscription Agreement (including all applicable Attachments and related documents), the General Partner or its legal counsel will contact the Investor if such documents are incomplete, if the Investor is not eligible to subscribe for the Units, if the General Partner requires additional information about the Investor or its beneficial owners or if the Investor's requested amount of investment has been reduced.

If the Investor's subscription is accepted (in whole or in part) by the General Partner, a fully executed set of the subscription documents will be returned to the Investor following the Closing.

For Further Information

For additional information concerning subscriptions, the Subscription Agreement, or the LP Agreement, prospective Investors should contact Jeff Hicks at Phone: (205) 484-2845; E-mail: jeff@livdev.com.

**LIV DEVELOPMENT FUND I, LP
SUBSCRIPTION AGREEMENT**

To: LIV Development Fund I GP, LLC
2204 Lakeshore Drive, Suite 450
Birmingham, AL 35209
Attn: Jeff Hicks
Tel: (205) 484-2845
E-mail: jeff@livdev.com

Ladies and Gentlemen:

Reference is made to (a) the Confidential Private Placement Memorandum dated March 22, 2023 (as supplemented from time to time, the "Memorandum"), relating to the offering of units of limited partnership interest (the "LP Units") in LIV Development Fund I, LP, a Delaware limited partnership (the "Fund"), and (b) the Amended and Restated Agreement of Limited Partnership of the Fund (as amended from time to time, the "LP Agreement" and, together with the Memorandum, the "Offering Materials") in the forms heretofore furnished to the undersigned. Capitalized terms used, but not defined, in this Subscription Agreement (including the Attachments hereto, this "Subscription Agreement") shall have the meanings given to them in the LP Agreement.

1. **Subscription for LP Units.** Subject to the terms and conditions set forth in this Subscription Agreement and in the LP Agreement, the undersigned investor (the "Investor") hereby agrees to (a) (i) purchase LP Units in the Fund in the amount set forth on the signature page below; (ii) make a commitment to contribute capital to the Fund in the amount set forth on the signature page below; and (iii) contribute capital to the Fund with respect to such commitment and make such other capital contributions and payments to the Fund when called by LIV Development Fund I GP, LLC (the "General Partner"), as provided for in the LP Agreement in the manner and at the times provided in the LP Agreement, (b) be admitted to the Fund as a limited partner (a "Limited Partner"), and (c) become a party to and bound by the terms of the LP Agreement as a Limited Partner and this Subscription Agreement.

2. **Acceptance; Admission.** The Investor understands and agrees (a) that this subscription shall not be deemed accepted by the Fund unless and until the acceptance on the signature page of this Subscription Agreement shall have been executed by the General Partner on behalf of the Fund, and (b) that the General Partner reserves the right to reject this subscription in whole or in part. The Investor will be admitted as a Limited Partner of the Fund once the General Partner receives and accepts Subscriptions equal to the Minimum Offering Amount and the General Partner notifies the Investor that they have been admitted as a Limited Partner. The Investor agrees that, upon admission as a Limited Partner, the Investor will be bound by and receive the benefit of the terms of the LP Agreement as a Limited Partner, and such terms are hereby incorporated by reference as if set out herein in full.

3. **Representations of the Investor.** The Investor hereby represents, warrants, and covenants to, and agrees with, the Fund and the General Partner as follows, and hereby agrees that each of the representations, warranties, and covenants set forth below and elsewhere in the Offering Materials shall be deemed made as of the date of each contribution by the Investor to the Fund:

(a) **Suitability.** THE INVESTOR HAS READ CAREFULLY AND UNDERSTANDS THE OFFERING MATERIALS, INCLUDING THE SECTIONS OF THE MEMORANDUM ENTITLED “CERTAIN RISK FACTORS,” “CERTAIN TAX CONSIDERATIONS,” AND “THE LP AGREEMENT,” AND ACKNOWLEDGES THAT IT HAS BEEN ADVISED TO CONSULT ITS OWN ATTORNEY, ACCOUNTANT, TAX ADVISOR AND/OR INVESTMENT ADVISOR WITH RESPECT TO THE INVESTMENT CONTEMPLATED HEREBY AND ITS SUITABILITY FOR THE INVESTOR. ANY SPECIFIC ACKNOWLEDGMENT SET FORTH BELOW WITH RESPECT TO ANY STATEMENT CONTAINED IN THE OFFERING MATERIALS SHALL NOT BE DEEMED TO LIMIT THE GENERALITY OF THIS REPRESENTATION AND WARRANTY.

(b) **Knowledge and Experience.** The Investor and its purchaser representative (as defined in Section 3(c) below), if any, currently have and (unless the Investor has a purchaser representative) the Investor had immediately prior to receipt of any offer regarding the Fund, such knowledge and experience in business and financial matters as to be capable of evaluating the merits and risks of an investment in the Fund. The Investor has carefully considered the suitability of its investment in the Fund for the Investor’s particular financial and tax situation and has determined that such investment is suitable for the Investor’s circumstances. The Investor understands (i) that the Fund has no operating history and there is no guarantee of the results that will be achieved by the Fund and (ii) the speculative nature of investing in the Fund and that its investment in the Fund is subject to loss if the Fund’s investments are unsuccessful. The Investor has adequate means of providing for its current needs and possible contingencies, and the Investor has no present intention or need, and anticipates no need in the foreseeable future, to liquidate its investment in the Fund. No assurances are or have been made to the Investor regarding any economic advantages (including tax) that may inure to the benefit of the Investor from its purchase and ownership of any LP Units.

(c) **Purchaser Representative.** If the Investor has utilized a purchaser representative, the Investor has previously given the Fund notice in writing of such fact, specifying that such representative would be acting as the Investor’s “purchaser representative” as defined in Rule 501(h) of Regulation D under the U.S. Securities Act of 1933, as amended (the “Securities Act”).

(d) **Full Contribution; Return of Distributions; No Need for Liquidity.** The Investor understands that, except as otherwise provided in the LP Agreement, the Investor is not permitted to make less than the full amount of any required capital contribution. If the Investor fails to make payments in respect of its capital commitment when due, the Investor will be subject to strict enforcement of the default provisions set forth in the LP Agreement, pursuant to which the Investor may suffer substantial adverse consequences (including, but not limited to, the loss of a material portion of its investment in the Fund). The Investor has or will reserve sufficient available liquid assets to meet such contribution obligations and understands that the LP Units may not be redeemed and, except to the extent otherwise provided in the LP Agreement, the Investor will not be permitted to withdraw capital from the Fund upon request. The Investor’s capital commitment to the Fund and other investments that are not readily marketable are not disproportionate to the Investor’s net worth, and the Investor has no need for immediate liquidity with respect to the LP Units.

(e) **Opportunity to Verify Information.** The Investor acknowledges that the General Partner has made available to the Investor during a reasonable time prior to the purchase of the LP Units, the opportunity to ask questions and receive answers from it concerning the terms and conditions of the offering described in the Offering Materials, and to obtain any additional information which the General Partner possesses or can acquire without unreasonable effort or expense that is necessary to verify the information contained in the Offering Materials or otherwise relative to the proposed activities of the

Fund. The Investor acknowledges that the Memorandum is not a public offering “prospectus” and does not purport to describe or otherwise address all material considerations relating to an investment in the Fund. The Investor understands that its investment in the Fund will be subject to the terms and conditions of this Subscription Agreement, any side letters, and the LP Agreement in such final forms as shall be executed by the parties thereto and as the same may be amended from time to time in accordance with their respective terms. The Investor further understands and acknowledges that certain of the terms and conditions of the Fund and the LP Units originally set forth in the Memorandum may have been modified and, as modified, will be reflected in the final form of the LP Agreement.

(f) **Purchase for Investment.** The Investor understands that: (1) the Investor must purchase the LP Units for its own account and not with a view toward the distribution or other transfer thereof and the Investor does not presently have any reason to anticipate any change in the Investor’s circumstances or other particular occasion or event that would cause the Investor to sell its LP Units; (2) the Investor must bear the economic risk of its investment until the final liquidation of the Fund; (3) neither the LP Units nor the Fund have been registered under the Securities Act or, unless otherwise disclosed to the Investor, the laws of any jurisdiction outside of the United States and that the Investor is responsible for complying with any such laws that may impose restrictions on the transfer or sale of the LP Units by the Investor; (4) under existing law, the Fund is not being registered as an “investment company” as the term “investment company” is defined in Section 3(a) of the Investment Company Act of 1940, as amended (the “Investment Company Act”); (5) the Investor may not resell or otherwise dispose of all or any part of the LP Units, except as permitted by law, including, without limitation, any regulations under the Securities Act and the applicable securities acts or similar statutes of the jurisdiction in which the Investor resides, including all regulations and rules under such laws, together with applicable published policy statements, instruments, notices and blanket orders or rulings of general applicability (collectively, “Applicable Securities Laws”), and any and all applicable provisions of the LP Agreement; (6) the transfer of LP Units and the substitution of another Limited Partner for the Investor are restricted by the terms of the LP Agreement; (7) Rule 144 under the Securities Act may not be available as a basis for exemption from registration of the LP Unit; and (8) there is no public or other market for the LP Units, it is not anticipated that such a market will ever develop, and neither the Fund nor the General Partner has any obligation to create such a market. The Investor agrees (i) not to sell or otherwise dispose of any part of the LP Units unless the LP Units have been registered under the Securities Act, an exemption from registration is available or such sale or disposition is made in accordance with the provisions of Regulation S under the Securities Act and (ii) that hedging transactions in the LP Units may not be conducted except in compliance with the Securities Act. The Investor understands that the LP Units will not be evidenced by a certificate subject to Article 8 of the Uniform Commercial Code. The Investor acknowledges and is aware that it has never been represented, guaranteed, or warranted to the Investor by the Fund, the General Partner, or its managers, officers, agents, attorneys or employees, or by any other person, expressly or by implication, as to any of the following: (x) the approximate or exact length of time that the Investor will be required to remain as owner of its LP Units; (y) the percentage of profit and/or amount of or type of consideration, profit or loss to be realized, if any, as a result of Investor’s investment; or (z) that the past performance or experience on the part of affiliates of the General Partner will in any way indicate the predictable results of the ownership of the LP Units or of the overall financial performance of the Fund.

(g) **Securities Laws.** The Investor received the Offering Materials and first learned of the Fund in the jurisdiction listed as the address of the Investor set forth on the Investor’s signature page hereto. The Investor intends that the state securities laws of such state alone shall govern this transaction. The

Investor is, with respect to the Fund, one person within the meaning of Rule 12g5-1 under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Investor’s form of holding the LP Units (and any other interest in the Fund), is not used primarily to circumvent the provisions of Section 12(g) or Section 15(d) of the Exchange Act.

(h) **Accredited Investor and U.S. Person Status.** One or more of the categories set forth in each of Part I and Part II of Attachment 2 attached hereto correctly and in all respects describes the Investor, and the Investor or its authorized representative has signed, initialed or otherwise so indicated on the blank line or lines following a category on each such Attachment.

(i) **Investment Objectives and Advice; Reliance.** The Investor has not relied on the Fund Advisor, the General Partner or its affiliates, or their respective partners, members, stockholders, officers, directors, managers or employees, as applicable, or any agent or representative of any of them for investment advice with respect to an investment in the Fund. Other than as set forth herein, in any side letter with the Investor or in the Offering Materials, in making a decision to proceed with an investment in the Fund, the Investor is not relying upon any representation, warranty or agreement by the Fund, the General Partner or its affiliates, or their respective partners, members, stockholders, officers, directors, managers or employees, as applicable, or any agent or representative of any of them, written or otherwise, in determining to invest in the Fund. In addition, at no time was the Investor solicited by, offered an opportunity to invest in the Fund by means of, or influenced in its decision to purchase the LP Units by, (i) any statement made or materials provided by a representative of, or on behalf of, the Fund, the General Partner or its affiliates, or their respective partners, members, stockholders, officers, directors, managers or employees, as applicable, or any agent or representative of any of them, at any seminar, conference, meeting or event whose attendees were invited by any general solicitation or advertising or (ii) any reference in the media to any such statement or materials, or any advertisement, article, notice or other communication published in any newspaper, magazine or similar media, or broadcast over television or radio, or transmitted over the Internet.

(j) **Power and Authority.** If the Investor is a natural person, the Investor has the legal capacity to execute, deliver and perform its obligations under this Subscription Agreement and the LP Agreement and grant the power of attorney as described in Section 5.4 of the LP Agreement. If the Investor is a corporation, trust, partnership, limited liability company, governmental agency or other entity, whether domestic or foreign: (i) it has the requisite power and authority to execute and deliver this Subscription Agreement and the LP Agreement; (ii) the Person signing this Subscription Agreement on behalf of the Investor has been duly authorized to execute this Subscription Agreement and the LP Agreement; and (iii) such execution and delivery do not, and the performance by the Investor of its obligations contemplated by this Subscription Agreement and the LP Agreement will not, violate, conflict with or cause the Investor to be in default under the terms of the Investor’s charter, by-laws, memorandum, partnership agreement or similar governing document or any other agreement, instrument, lien or judgment, or any domestic or foreign law, regulation, permit or registration to which the Investor is a party or by which it or its assets is bound. This Subscription Agreement has been duly executed by the Investor and constitutes, and the LP Agreement, when and if the Investor is admitted as a Limited Partner, will constitute, a valid and legally binding agreement of the Investor. The Investor has obtained all necessary consents, approvals and authorizations of government authorities and other Persons required to be obtained in connection with its execution and delivery of this Subscription Agreement and the LP Agreement and the performance of its obligations hereunder and thereunder.

(k) **No View to Tax Benefits; No Borrowings.** The Investor is not acquiring the LP Units with a view to realizing any benefits under United States federal income tax laws, and no representations have been made to the Investor that any such benefits will be available as a result of the Investor's acquisition, ownership or disposition of the LP Units. **The Investor acknowledges that the Offering Materials do not contain any disclosure concerning the tax aspects of the Fund's activities under the laws or regulations of the United States, any state, local, foreign, or other jurisdiction (other than certain United States federal income tax matters and certain state tax matters explicitly summarized in the Memorandum) and that any such tax matters summarized in the Memorandum are general in nature, are not intended to apply, and likely will not apply, to any specific Investor in light of its particular circumstances and in many cases are uncertain and subject to change. Accordingly, the Investor acknowledges that it has been advised by the General Partner to consult with its own tax advisor in connection with its decision to purchase the LP Unit.** If the Investor is a "charitable remainder trust" within the meaning of Section 664 of the Internal Revenue Code of 1986, as amended (the "Code"), the Investor has advised the General Partner in writing of such fact, and the Investor acknowledges that it understands the risks, including specifically the tax risks, if any, associated with its investment in the Fund. The Investor has not borrowed any portion of its contribution to the Fund, either directly or indirectly, from the Fund, the General Partner or any of its affiliates.

(l) **Certain Tax Information.** Upon request, the Investor shall provide the General Partner with any information necessary to allow the Fund to comply with its obligations to make tax basis adjustments under Sections 734 or 743 of the Code.

(m) **Fund Counsel Does Not Represent the Investors.** The Investor understands that (i) the General Partner has retained Dentons Sirote, P.C. ("Dentons") as counsel to the Fund, the Fund Advisor, and the General Partner and (ii) the General Partner may retain Dentons as counsel in connection with the management and operation of the Fund, including, without limitation, making, holding or disposing of investments, or any dispute that may arise between the Investor or any other Limited Partner, on the one hand, and the General Partner and/or the Fund on the other hand (the "Fund Legal Matters"). The Investor acknowledges that Dentons will not represent the Investor in connection with the formation of the Fund and the offer and sale of LP Units, unless, with respect to Dentons and subject to applicable law, the General Partner (or an affiliate thereof) and the Investor otherwise agree and the Investor separately engages Dentons. The Investor will, if it wishes counsel on any Fund Legal Matter, retain its own independent counsel with respect thereto and will pay all fees and expenses of such independent counsel or as otherwise determined by a court of competent jurisdiction. The Investor acknowledges and agrees that: (1) Dentons's representation of the Fund, Fund Advisor, and/or the General Partner is limited to those specific matters with respect to which Dentons has been retained and consulted by such entities; (2) Dentons's representation of the Fund, Fund Advisor, and/or the General Partner is not exclusive and other matters involving the General Partner, Fund Advisor, and/or the Fund may exist where Dentons has not been retained or consulted and such matters could affect the General Partner, Fund Advisor, the Fund, the Fund's investments, its portfolio companies, and/or their affiliates; (3) Dentons will not monitor the Fund, Fund Advisor, the General Partner or their affiliates' compliance with the LP Agreement (including, the Fund's policies, investment program or other investment guidelines, restrictions and procedures set forth in the Memorandum and/or the LP Agreement), or with applicable laws, rules or regulations, unless Dentons has been specifically retained to do so; (4) Dentons has not investigated or verified the accuracy and completeness of any of the information set forth in the Memorandum; and (5) Dentons is not providing any advice, opinion, representation, warranty or other assurance of any kind as to any matter to any Limited Partner.

(n) **Privacy Notice.** If the Investor is a natural person, grantor trust or 401(k)/IRA Investor, the Investor has separately received a notice regarding privacy of financial information under Regulation S-P, 17 C.F.R. 248.1-248.30 ("Regulation S-P"), adopted by the U.S. Securities and Exchange Commission pursuant to the privacy rules promulgated under Section 504 of the Gramm-Leach-Bliley Act of 1999, and agrees that the LP Units are a financial product that the Investor has requested and authorized. In accordance with Section 14 of Regulation S-P, the Investor acknowledges and agrees that the Fund may disclose nonpublic personal information of the Investor to the other Limited Partners, as well as to the Fund's accountants, attorneys and other service providers as necessary to effect, administer and enforce the Fund's and the Limited Partners' rights and obligations. The Investor acknowledges that it has received and reviewed the General Partner's Privacy Policy.

(o) **Anti-Money-Laundering.** The Investor acknowledges that the Fund seeks to comply with all applicable laws, rules, regulations, directives, and special measures concerning money laundering, anti-terrorism, and related matters. In furtherance of those efforts, to the best of Investor's knowledge and based upon appropriate diligence and investigation:

- (1) None of the cash or property that the Investor has paid, will pay, or will contribute to the Fund has been or shall be derived from, or related to, any activity that is deemed criminal under United States law or any other applicable law or regulation.
- (2) No contribution or payment by such Investor to the Fund, to the extent that such contribution or payment is within such Investor's control, and no distribution to such Investor (assuming such distribution is made in accordance with instructions provided to the General Partner by such Investor) shall cause the Fund, the General Partner or any of its affiliates to be in violation of any applicable anti-money laundering laws or regulations, including without limitation the U.S. Bank Secrecy Act (the "BSA"), the U.S. Money Laundering Control Act of 1986, the U.S. International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001, and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, in each case, such statute as amended and any successor statute thereto and including all regulations promulgated thereunder (collectively, the "Anti-Money Laundering Laws"). The Investor: (A) shall promptly notify the Fund if, to the knowledge of the Investor, the Investor has made a contribution to the Fund of money derived from, or related to, any activity that is deemed criminal under U.S. law or that could cause the Fund or the General Partner or any of their respective affiliates to be in violation of any Anti-Money Laundering Law; and (B) shall provide the Fund, promptly upon receipt of the Fund's written request therefor, with any additional information regarding such Investor or its beneficial owner(s) that the Fund deems necessary in order to determine or ensure compliance with all applicable laws, regulations and administrative pronouncements concerning money laundering and other criminal activities. The Investor acknowledges and agrees that the Fund may release confidential information regarding such Investor and, if applicable, any of its beneficial owners, to government authorities if the Fund, in its discretion after consultation with the Investor (to the extent permitted by law), determines that releasing such information is in the best interest of the Fund in light of any regulations or administrative pronouncements promulgated under the Anti-Money Laundering Laws or other similar applicable law.

- (3) The Investor hereby represents that (A) such Investor is not, (B) no Person controlling or controlled by such Investor is, and (C) if such Investor is a privately held entity, to the best of its knowledge, no Person having a beneficial interest in such Investor is: a prohibited country, territory, or Person listed on the Specially Designated Nationals and Blocked Persons List (the “SDN List”) or the Sectoral Sanctions Identifications List (“SSI List”) maintained by the Office of Foreign Assets Control of the United States Department of Treasury, a “senior foreign political figure,” or any “immediate family member” or “close associate” of a senior foreign political figure, as such terms are defined below, or a “foreign shell bank” within the meaning of the BSA. The SDN List may be found at <http://www.treas.gov/offices/enforcement/ofac/sdn/>. The SSI List may be found at http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/ssi_list.aspx. For purposes hereof, a “senior foreign political figure” is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a non-U.S. government (whether elected or not), a senior official of a major non-U.S. political party, or a senior executive of a non-U.S. government-owned corporation. In addition, a “senior foreign political figure” includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure; “immediate family” of a senior foreign political figure typically includes such figure’s parents, siblings, spouse, children and in-laws; and a “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.
- (4) The Investor understands and agrees that if at any time it is discovered that (A) the Investor has made a contribution or payment to the Fund of money derived from, or related to, any activity that is deemed criminal under United States or any other law or that causes the Fund, the General Partner or any of its affiliates to be in violation of the Anti-Money Laundering Laws, (B) any distribution to the Investor made in accordance with the Investor’s instructions is “blocked” under Anti-Money Laundering Laws, (C) the Investor or any Person described in clauses (3)(A), (B) or (C) above is or becomes listed on the SDN List or SSI List, or (D) the Investor otherwise is required to take steps applicable law or regulation related to money laundering, criminal activities or government sanctions, the General Partner may, notwithstanding any provision of the LP Agreement to the contrary, undertake appropriate actions to ensure compliance with applicable law, regulations and administrative pronouncements, including, but not limited to freezing the assets of the Investor, segregation and/or redemption of the Investor’s investment in the Fund, refusing to accept additional contributions and withholding any distributions that would otherwise be made to the Investor.
- (5) The Investor shall promptly notify the General Partner if any of the representations in this Section 3(o) cease to be true and accurate at any time regarding the Investor. The Investor agrees to promptly provide to the General Partner any additional information regarding the Investor or its beneficial owner(s) that the General Partner deems necessary or advisable in order to determine or ensure compliance with all applicable laws, regulations and administrative pronouncements concerning money

laundering, criminal activities and government sanctions or to respond to requests for information concerning the identity of investors from any governmental authority, self-regulatory organization or financial institution in connection with its anti-money laundering compliance procedures. The Investor further understands that the General Partner may release confidential information about the Investor and, if applicable, any underlying beneficial owners, to proper authorities if the General Partner determines, after consultation with counsel, that such disclosure is required by applicable laws, regulations or administrative pronouncements or in order to comply with suggested guidelines or policies of any trade association or self-regulatory organization concerning compliance with the laws set forth above.

- (6) Notwithstanding anything to the contrary herein, the Investor acknowledges and agrees that the General Partner may, in its sole discretion, agree in writing with any Limited Partner that is itself, or that is associated with or managed by another entity that is, subject to regulation under the Exchange Act, the U.S. Bank Holding Company Act of 1956, as amended, the Investment Advisers Act of 1940, as amended (the “Investment Advisers Act”) or comparable non-U.S. laws and regulations, to alternate representations and covenants reasonably designed to ensure compliance with applicable anti-money laundering and other criminal laws, regulations and administrative pronouncements and government sanctions.

(p) **Nominees and Custodians; Trustees.** If the undersigned is acting as a nominee or custodian for another Person or governmental agency in connection with the purchase and holding of the LP Units, the undersigned has so indicated such on the signature page hereto. The representations and warranties contained in this Subscription Agreement and any other documents provided to the General Partner or the Fund in connection with the Investor’s investment in the Fund regarding the “Investor” are true and accurate with regard to the Person or governmental agency for which the undersigned is acting as nominee or custodian. Without limiting the generality of the foregoing, the representations and warranties regarding the status of the Investor in the Attachments hereto are true with respect to, and accurately describe, the Person or governmental agency for which the undersigned is acting as nominee or custodian and the undersigned nominee or custodian has the full power and authority to make such representations on behalf of and execute binding agreements enforceable against such Person or governmental agency. The Person or governmental agency for which the undersigned is acting as nominee or custodian will not transfer, assign or otherwise dispose of or distribute any part of its economic or beneficial interest in (or any other rights with respect to) the LP Units without complying with Applicable Securities Laws and all of the applicable provisions of the LP Agreement as if such Person or governmental agency were a direct Limited Partner of the Fund and were transferring a direct ownership interest in the Fund. If the undersigned is acting as nominee or custodian for another Person or governmental agency, the undersigned agrees to provide such other information as the General Partner may reasonably request regarding the undersigned and the Person or governmental agency for which the undersigned is acting as nominee or custodian in order to determine the eligibility of the Investor to purchase the LP Units. If the undersigned is a trustee of a trust, all of the representations and warranties contained in this Subscription Agreement (and the Attachments hereto) and any other documents provided to the General Partner or the Fund in connection with the Investor’s investment in the Fund are true with respect to such trust, such trustee has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Fund and the representations in Section 3(j) with respect to

the power and authority of, and lack of conflicts with the governing documents of and other applicable agreements and laws binding upon the Investor, are made both by the Investor and such trustee, this Subscription Agreement has been duly executed on behalf of the Investor by such trustee, is binding against such trustee in such capacity and such trustee has obtained all necessary consents described in such Section 3(j).

(q) **Regulatory Matters.** Neither the Investor nor any Person that, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares voting power with respect to the LP Units, which includes the power to vote, or to direct the vote, with respect to the LP Units, or investment power over the LP Units, which includes the power to dispose, or direct the disposition of, the LP Unit, is the subject of any conviction, order, judgment, decree, suspension, expulsion or bar described in Rule 506(d) under the Securities Act that, if any such Person was deemed to be a 20% beneficial owner of the outstanding voting equity securities of an issuer seeking to rely on Rule 506, would require disclosure by such issuer under Rule 506(e) or disqualify such issuer from relying on Rule 506. There are no actions pending against the Investor or any such other Person that would, if adversely determined, result in such a disqualification. The Investor agrees to promptly notify the General Partner if the Investor or any such other Person becomes subject to any such conviction, order, judgment, decree, suspension, expulsion or bar

(r) **ERISA.** The Investor is not (i) an “employee benefit plan” (as such term is defined in ERISA) subject to Part 4 of Subtitle B of Title I of ERISA, (ii) a “plan” (as such term is defined in Section 4975(e)(1) of the Code) to which the provisions of Section 4975 of the Code are applicable or (iii) any other entity or account, any of the assets of which constitute “plan assets,” within the meaning of ERISA, of a plan described in (i) or (ii) above. The Investor is not a “benefit plan investor” as defined in 29 C.F.R. Section 2510.3-101. For purposes of this Subscription Agreement, “ERISA” shall mean the U.S. Employee Retirement Income Security Act of 1974 and the rules and regulations promulgated thereunder, as amended from time to time, or any successor statute thereto.

(s) **No Commissions or Fees.** There are no contracts, agreements or understandings between the Investor and any Person that would give rise to a claim against the Fund, the General Partner or its affiliates for any brokerage commission, finder’s fee or other like payment with respect to the sale of the LP Units to the Investor. The Investor confirms that no payment, fee, compensation, consideration or other benefit of any kind, direct or indirect, has been received by, or directed to, any government official or any agent, employee or representative of the Investor, in each case, respecting, arising out of, or in connection with the Investor’s investment in the Fund.

4. **Closing.** The closing (the “Closing”) of the sale and purchase of the LP Units shall be conducted remotely via the electronic exchange of documents and signatures on such date and such time as shall be selected by the General Partner. Contemporaneously with the execution of this Subscription Agreement, Investor agrees to execute and deliver the applicable counterpart signature page to the LP Agreement attached hereto as Attachment 4. Following the occurrence of the Closing, the Investor’s signature page to the LP Agreement shall automatically be released and attached to the LP Agreement as the Investor’s signature page to the LP Agreement. The Investor hereby accepts, adopts, and agrees to be bound by each and every provision contained in the LP Agreement, and agrees to become a Limited Partner hereafter.

5. **Capital Contributions.** The initial capital contribution associated with the Investor’s LP Units and each subsequent capital contribution to the Fund shall be made by the Investor in such

installments and on such dates as the General Partner may from time-to-time request in accordance with and subject to the provisions of the LP Agreement. The Investor acknowledges that its Percentage Interest (as defined in the LP Agreement) in the Fund may be adjusted from time to time in accordance with the terms of the LP Agreement, including, without limitation, for failure to make a required capital contribution under the LP Agreement.

6. **Amendments.** Neither this Subscription Agreement nor any term hereof may be changed, waived, discharged or terminated except with the written consent of the Investor and the General Partner. The LP Agreement may be amended in accordance with its terms.

7. **Reduction or Rejection of Subscription.** The Investor acknowledges that the subscription for the LP Units contained herein may be rejected by the General Partner in the General Partner's sole discretion. If the Investor's subscription is rejected, (i) the Investor shall be relieved of all further obligations under this Subscription Agreement, provided that Section 10 shall survive and continue to be binding on the Investor and (ii) the Investor shall, at the request of the General Partner, return to the General Partner all Offering Materials provided to the Investor or certify as to their destruction.

8. **Additional Investor Information.** The Investor understands that the information provided in this Subscription Agreement (including the Attachments hereto and any other documents provided by the Investor to the Fund or the General Partner in connection with its investment in the Fund) will be relied upon by the Fund and the General Partner, including without limitation for the purpose of (i) determining the eligibility of the Investor to purchase or hold the LP Units, (ii) making any required filings pursuant to Applicable Securities Laws, (iii) determining the Fund's eligibility to invest in prospective investments, and (iv) making representations in connection with the Fund's investments. The Investor shall inform the General Partner in writing immediately if the representations and warranties or any other information set forth in this Subscription Agreement (including any other documents provided by the Investor to the Fund or the General Partner in connection with its investment in the Fund) ceases to be true or accurate and agrees to provide, if requested, any additional information that may reasonably be required to determine the eligibility of the Investor to purchase or hold the LP Units, for the purpose of making any required filings pursuant to Applicable Securities Laws or to make representations in connection with the Fund's actual or prospective investments. The Investor will furnish to the Fund, upon request, any other information about the Investor reasonably determined by the General Partner to be necessary or convenient for the formation, operation, dissolution, winding-up or termination of the Fund, including, if relevant, information with respect to the foreign citizenship, residency, ownership or control of the Investor and its beneficial owners so as to permit the General Partner to evaluate and comply with any regulatory and tax requirements applicable to the Fund or proposed investments of the Fund; *provided* that (a) such other information is in the Investor's possession or is available to the Investor without unreasonable effort or expense and (b) the Investor's obligations with respect to such other information shall not apply to the extent that disclosure of such information, under the applicable circumstances and taking into account any confidentiality obligations of the recipient, would result in the Investor being in violation or breach of applicable law or an agreement regarding the confidentiality of such other information.

9. **Survival; Indemnity.** The Investor represents and agrees that the information provided in this Subscription Agreement (including the Attachments hereto) and any other documents provided by the Investor to the Fund or the General Partner in connection with its investment in the Fund regarding the Investor is true and correct as of the date of this Subscription Agreement and will be true and correct as of the Closing and as of the date of the Investor's admission to the Fund as a Limited

Partner. Without limiting the generality of the foregoing, if there should be any change in the information provided herein regarding the Investor (including the Attachments hereto and any other documents provided by the Investor to the Fund or the General Partner in connection with its investment in the Fund) prior to the Closing or the Investor's admission to the Fund as a Limited Partner, the Investor will immediately furnish revised or corrected information to the General Partner in writing. The representations and warranties made by the Investor and the General Partner shall survive the Closing and any investigation made by the Fund or the General Partner, on the one hand, or the Investor on the other hand. Investor acknowledges that it understands the meaning and legal consequences of its representations and warranties under this Agreement and that such representations and warranties are being relied upon by the Fund and the General Partner. **TO THE FULLEST EXTENT PERMITTED BY LAW, THE INVESTOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE FUND, THE FUND ADVISOR, THE GENERAL PARTNER, ITS AFFILIATES, DIRECTORS, OFFICERS, PARTNERS, MEMBERS, MANAGERS, EMPLOYEES AND AGENTS AGAINST ANY LOSS, DAMAGE, OR LIABILITY DUE TO OR ARISING OUT OF A BREACH OF ANY REPRESENTATION OR WARRANTY OF THE INVESTOR CONTAINED IN THIS SUBSCRIPTION AGREEMENT (INCLUDING THE ATTACHMENTS HERETO) OR IN ANY OTHER DOCUMENTS PROVIDED BY THE INVESTOR TO THE FUND OR THE GENERAL PARTNER IN CONNECTION WITH THE INVESTOR'S INVESTMENT IN THE FUND.** Notwithstanding that any representations or warranties made by a nominee, custodian, trustee or other Person that has the power and authority to act on behalf of or in trust of an Investor without separate legal personality are made on behalf of the Investor, such indemnity applies to any such nominee, custodian, trustee or other Person if such nominee, custodian, trustee or other Person has breached the representations in Section 3(j) (Power and Authority) or Section 3(p) (Nominees and Custodians; Trustees). The General Partner may make, execute, record and file on its own behalf and on behalf of the Investor all instruments and other documents (including one or more agreements in favor of the Persons to whom the benefit of this Section 9 is intended (the "Covered Persons") and/or one or more separate indemnification agreements between the General Partner, the Fund, the Investor (as applicable) and individual Covered Persons) that the General Partner deems necessary or appropriate in order to extend the benefit of the exculpation and indemnification provisions of this Agreement to the Covered Persons; *provided*, that such other instruments and documents authorized hereunder shall be on the same terms as provided for in this Agreement except as otherwise may be required by applicable law.

10. **Confidentiality.** The Investor hereby confirms that it will not use any information it receives pursuant to any potential investment in the Fund for any purpose other than monitoring and evaluating its investment in the Fund, except as otherwise permitted by the LP Agreement.

11. **General.** This Agreement shall (a) be binding upon the Investor and the personal representatives and permitted assigns of the Investor, (b) survive the admission of the Investor as a Limited Partner of the Fund, (c) not be assignable by the Investor without the written consent of the General Partner, and (d) if the Investor consists of more than one Person, be the joint and several obligations of all such Persons. Two or more duplicate originals of this Subscription Agreement may be executed by the undersigned and accepted by the General Partner, each of which shall be an original, but all of which together shall constitute one and the same instrument. Facsimile or PDF (or similar electronic formats) (i) counterpart signatures to this Subscription Agreement will constitute effective execution and delivery and shall be acceptable and binding for all purposes, and (ii) copies of this Subscription Agreement shall have the same force and effect as an original. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neutral, singular or plural as the identity of the Investor referred to may require. This Subscription Agreement shall be governed by the

laws of the State of Delaware. **UNLESS OTHERWISE AGREED BY THE GENERAL PARTNER IN WRITING, THE INVESTOR AND THE GENERAL PARTNER, ON BEHALF OF ITSELF AND THE FUND, IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY ACTION OR PROCEEDING BROUGHT BY OR AGAINST THE GENERAL PARTNER (OR ITS PARTNERS, MEMBERS, MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES OR CONSULTANTS, IN THEIR CAPACITY AS SUCH OR IN ANY RELATED CAPACITY) OR THE FUND, IN ANY WAY RELATING TO THE FUND, THIS SUBSCRIPTION AGREEMENT, THE LP AGREEMENT OR ANY OFFERING MATERIALS.** Any term or provision of this Subscription Agreement that is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Subscription Agreement or affecting the validity or enforceability of any of the terms or provisions of this Subscription Agreement in any other jurisdiction. Captions and headings in this Subscription Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

[Signature page on next page]

SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement for the purchase of one or more LP Units of LIV Development Fund I, LP, a Delaware limited partnership (the "Fund"). Upon acceptance by the General Partner (for itself and for the Fund), the subscription pursuant to this Subscription Agreement will become irrevocable, the undersigned will be admitted as Limited Partner of the Fund, and the undersigned will be obligated to purchase the number of LP Units indicated below for the purchase price of \$250,000 per LP Unit. The Fund will return a countersigned copy of this Subscription Agreement to each accepted Investor.

Total Capital Contribution Commitment:

\$ _____

Minimum Investment: \$250,000

Total Number of LP Units:

No. of LP Units: _____

Price per LP Unit: \$250,000
Minimum Investment: 1 LP Unit

Signature of Investor:

Signature: _____

Print Name: _____

Title (if entity): _____

SSN or Tax ID No.: _____

Date: _____

If Second Signature Required for Investor:

Signature: _____

Print Name: _____

Title (if entity): _____

SSN or Tax ID No.: _____

Date: _____

Agreed to and Accepted by:

LIV Development Fund I GP, LLC
(for and on behalf of itself and the Fund)

By: _____

Name: _____

Title: _____

Date of Acceptance: _____

ATTACHMENT 1
Investor Information Sheet

A. General Information

Investor Name. Print or type exact name of Investor in which the investment should be registered:

Legal Form of Ownership. Please indicate below the form in which the Investor will hold title to its interest in the LP Units. PLEASE CONSIDER CAREFULLY. ONCE YOUR SUBSCRIPTION IS ACCEPTED, A CHANGE IN THE FORM OF TITLE CONSTITUTES A TRANSFER OF THE LP UNITS AND MAY THEREFORE BE RESTRICTED BY THE TERMS OF THE LP AGREEMENT, AND MAY RESULT IN ADDITIONAL COSTS TO YOU. Prospective Investors should seek the advice of their attorneys in deciding in which of the forms they should take ownership of the LP Units, because different forms of ownership can have varying gift tax, estate tax, income tax, and other consequences, depending on the state of the Investor's domicile and his or her particular personal circumstances.

- Individual Ownership
- Joint Tenants with Right of Survivorship (and not Tenants in Common)
- Community Property
- Tenants in Common
- General Partnership
- Limited Partnership
- Limited Liability Company
- Corporation
- Trust

If the LP Units are intended to be held as Joint Tenants, Community Property, or Tenants in Common, then both spouses should execute this Subscription Agreement.

Tax Year End. The Investor's year end for tax purposes is December 31st: **Yes** **No**

If "No," please specify the Investor's tax year end: _____

Signatory. Is the party signing this Subscription Agreement acting as a trustee, nominee, or custodian for a beneficial owner/underlying investor?

Yes **No**

If “Yes,” the Investor certifies that the full legal name of the beneficial owner and its state of residence or jurisdiction of organization is set forth below, and that this Subscription Agreement (including all exhibits and attachments) has been completed by the Investor, on behalf of and at the direction of the beneficial owner, as if the beneficial owner were the Investor for purposes hereof.

Legal name of beneficial owner: _____

State of residency (for individuals) or jurisdiction of organization (for entities)
of beneficial owner: _____

Affiliates. To the knowledge of the Investor, the Investor is **NOT** controlled by, controls, or is under common control with any other Limited Partner of the Fund:

Agree Disagree

If “Disagree,” please attach a supplemental sheet that identifies the other Limited Partner(s) and describes the relationship between the Investor and such other Limited Partner(s).

B. Contact Information

Investor’s primary contact person (to receive all correspondence, including financial statements, capital calls and distribution notices, in-kind distribution notices, tax information, information related to annual meetings, general correspondence and legal documents). ***This address will be included in the books and records of the Fund and will be used for purposes of providing notice to the Investor, so this information should be provided exactly as it should appear on labels:***

Name:	
Phone Number:	
Fax Number:	
E-mail Address:	
Mailing Address:	

Investor’s residence (if an individual) or principal place of business (if an entity) (*no P.O. Boxes please*) if different from above:

Name:	
Phone Number:	
Fax Number:	
E-mail Address:	
Mailing Address:	

Secondary contact person (to receive all correspondence):

Name:	
Phone Number:	
Fax Number:	
E-mail Address:	
Mailing Address:	

Legal contact person (to receive all legal documents):

Name:	
Phone Number:	
Fax Number:	
E-mail Address:	
Mailing Address:	

C. Investor's Wiring Instructions

Until further written notice to the Fund signed by one or more of the authorized persons, funds may be wired to the Investor using the following fed wire instructions:

Bank Name: _____ Reference: _____

Bank Address: _____ Contact Name: _____

Bank ABA #: _____ Phone: _____

Account Number: _____ Email: _____

Account Name: _____ SWIFT Code: _____

For Further Credit to Account Name: _____

For Further Credit to Account Number: _____

Comments: _____

[End of Investor Information Sheet]

ATTACHMENT 2
INVESTOR QUESTIONNAIRE

I. ACCREDITED INVESTOR STATUS

The Investor hereby represents, warrants, and covenants, pursuant to Section 3(h) of the attached Subscription Agreement, that he, she or it is an "Accredited Investor" pursuant to Regulation D promulgated under the U.S. Securities Act of 1933, as amended and in effect as of the date hereof (the "Securities Act"), because, at the time of the sale of the LP Units to Investor (please initial all applicable descriptions):

INDIVIDUAL INVESTORS

The Investor is a **natural person** (or a 401(k)/IRA Investor directed by and for the benefit of a single natural person):

- Whose **net worth**, either individually or jointly with such person's spouse, at the time of such person's purchase, exceeds \$1,000,000. For such purposes, "net worth" means the excess of total assets at fair market value (excluding the value of the primary residence of such natural person) over total liabilities (excluding the amount of indebtedness secured by the primary residence of such natural person up to such primary residence's fair market value).

- Who had **individual income** in excess of \$200,000 in each of the last two calendar years, or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those two years and has a reasonable expectation of reaching the same income level in the current calendar year.

- Who is a **director, executive officer, or general partner** of the Fund, or a **director, executive officer, or general partner** of the General Partner. For purposes of this definition, "executive officer" means the president; any vice president in charge of a principal business unit, division or function, such as sales, administration or finance; or any other person or persons who perform(s) similar policymaking functions.

- Who holds, in good standing, one of the following **professional licenses**: the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), or the Investment Adviser Representative license (Series 65).

- The Investor is a "**knowledgeable employee**," as defined in Rule 3c-5(a)(4) under the Investment Company Act of 1940, of the Fund.

- The Investor is a **family client**, as defined in Rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a Family Office (defined below) and whose prospective investment in the Issuer is directed by that Family Office.
-

ENTITY INVESTORS

The Investor is one of the following entities which was not formed for the specific purpose of making an investment in the Fund and which has total assets in excess of \$5 million:

- (a) a **corporation, limited liability company, or partnership**;
- (b) an **organization described in Section 501(c)(3)** of the Code; or
- (c) **Massachusetts or similar business trust**.
- The Investor is an **entity (other than a trust)** in which all of the equity owners are accredited investors. Beneficiaries of a trust are not considered equity owners for these purposes.

- The Investor is a **family office**, as defined in Rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, that (i) has assets under management in excess of \$5 million; (ii) is not formed for the specific purpose of acquiring the Securities and (iii) has a person directing the prospective investment who has such knowledge and experience in financial and business matters so that the family office is capable of evaluating the merits and risks of the prospective investment (a "Family Office").
-

The Investor is an **entity** which falls within one of the following categories of accredited investor set forth in Rule 501(a) of Regulation D under the Securities Act:

- A **bank** as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or a fiduciary capacity.
- A **broker or dealer** registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended.
- An **insurance company** as defined in Section 2(13) of the Securities Act.

An **investment company** registered under the Investment Company Act or a business development company as defined in Section 2(a)(48) of the Investment Company Act.

A **Small Business Investment Company** licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended.

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 a plan has total assets in excess of \$5,000,000.

Any **private business development company** as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.

An **employee benefit plan** within the meaning of Title I of ERISA, if (a) the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA (such as a bank, savings and loan association, insurance company or registered investment adviser); (b) such plan has total assets in excess of \$5,000,000; or (c) such plan is a self-directed plan, with investment decisions made solely by persons that are Accredited Investors.

A **trust**, with total assets in excess of \$5,000,000 **not formed** for the specific purpose of acquiring the LP Units, whose purchase of LP Units is directed by a “sophisticated person” (meaning a person that has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Fund).

The Investor is a **revocable grantor trust**, and (a) each grantor of the trust has the power to revoke the trust at any time and regain title to the trust assets, (b) the grantors may amend the trust at any time and (c) each grantor is an Accredited Investor

The Investor is an **investment advisor** either (a) registered pursuant to Section 203 of the Investment Advisers Act of 1940, as amended (“Investment Advisers Act”), or registered pursuant to the laws of any U.S. state, or (b) relying on an exemption from registering with the SEC under Section 203(l) or 203(m) of the Investment Advisers Act.

II. U.S. PERSON STATUS

The Investor hereby represents and warrants, pursuant to Section 3(h) of the attached Subscription Agreement, that it is correctly and in all respects described by the category or categories set forth below directly next to which the Investor has checked the corresponding box(es).

1. The Investor falls within one of the following categories of a “U.S. Person” set forth in Rule 902(k) of Regulation S under the Securities Act of 1933, as amended (the “Securities Act”):

- A natural person resident in the United States of America, its territories and possessions, any state of the United States, or the District of Columbia (the “United States”).
- A partnership or corporation organized or incorporated under the laws of the United States.
- An estate of which any executor or administrator is a U.S. Person, unless, in the case of an estate of which any professional fiduciary acting as executor or administrator is a U.S. Person, the estate is governed by laws of a jurisdiction other than the United States and an executor or administrator who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate.
- A trust of which any trustee is a U.S. Person, unless, in the case of a trust of which any professional fiduciary acting as trustee is a U.S. Person, a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person.
- An agency or branch of a non-United States entity located in the United States.
- A non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person.
- A discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if an individual) resident in the United States unless such account is held for the benefit or account of a non-U.S. Person.
- A partnership or corporation (A) organized or incorporated under the laws of any jurisdiction other than the United States, and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Regulation D of the Securities Act) who are not natural persons, estates or trusts.

2. The Investor (i) (A) is located outside the United States, (B) is a branch or agency of a U.S. Person, (C) operates for valid business reasons, (D) is engaged in the business of insurance or

banking and (E) is subject to substantive insurance or banking regulation in the jurisdiction where it is located, (ii) is not acquiring the LP Units for the account or benefit of any U.S. Person and (iii) executed the attached Subscription Agreement outside of the United States, and no offer to purchase the LP Units was made to the Investor in the United States.

3. The Investor (i) is an employee benefit plan established and administered in accordance with the law of a country other than the United States and the customary practices and documentation of such country, (ii) is not acquiring the LP Units for the account or benefit of any U.S. Person and (iii) executed the attached Subscription Agreement outside of the United States, and no offer to purchase the LP Units was made to the Investor in the United States.

4. The Investor (i) is one of the following: the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans, (ii) is not acquiring the LP Units for the account or benefit of any U.S. Person and (iii) executed the attached Subscription Agreement outside of the United States, and no offer to purchase the LP Units was made to the Investor in the United States.

5. The Investor does not fall within any of the categories set forth in Items 1- 4 above, is not acquiring the LP Units for the account or benefit of any U.S. Person and executed the attached Subscription Agreement outside of the United States, and no offer to purchase the LP Units was made to the Investor in the United States.

For purposes of the preceding items 2–5, the term U.S. Person when used in the description means any Person described by category 1.

QUESTION 6 MUST BE COMPLETED ONLY BY AN INVESTOR THAT CHECKED ITEMS 2, 3, 4 OR 5 OF THIS Part II to Attachment 2.

6. If the Investor is a natural person, the Investor has attached a legible copy of an unexpired government-issued identification evidencing nationality or residence and bearing a photograph, or similar safeguard, hereto.

If true, please check here:

If the Investor is an entity, the Investor has attached a copy of the certificate of incorporation, certificate of formation or other documentation identifying the name, date and jurisdiction of formation of incorporation or formation, as applicable, to validate entity is established in the respective jurisdiction.

If true, please check here:

ATTACHMENT 3
Consent to Electronic Delivery of
U.S. Internal Revenue Service Schedule K-1 and Disclosure Statement

If admitted as a Limited Partner of the Fund, the Investor hereby consents, notwithstanding anything to the contrary in the LP Agreement, to receive U.S. Internal Revenue Service Schedule K-1 ("K-1 statements") in respect of the Fund in electronic form, such as through email or via the Fund's secure internet portal.

To receive K-1 statements through electronic form, the Investor must affirmatively consent in writing by properly reviewing, completing, executing and delivering this "Consent to Electronic Delivery of U.S. Internal Revenue Service Schedule K-1 and Disclosure Statement" to the General Partner.

The Investor hereby acknowledges the following:

1. If the Investor chooses not to consent to receive K-1 statements through electronic form or if the Investor subsequently withdraws such consent, paper copies of K-1 statements will be furnished to the Investor, through mail or hand delivery.
2. This consent applies to each K-1 statement required to be furnished to the Investor by the Fund after this consent is provided until the Investor withdraws consent.
3. Notwithstanding the Investor's consent, the Investor is entitled to receive paper K-1 statements upon written request. The Fund will **NOT** treat the Investor's request for paper K-1 statements as a withdrawal of consent. If the Investor wishes to withdraw consent, the Investor understands that it must do so affirmatively and in writing to the General Partner.
4. The Investor may withdraw consent by so notifying the General Partner in writing in accordance with Section 13.3 of the LP Agreement. The withdrawal of consent will be effective within sixty (60) days after receipt of such notice by the General Partner. The Fund will confirm to the Investor the withdrawal of consent and the date on which it takes effect in writing (either electronically or on paper). A withdrawal of consent shall not apply to any K-1 statements that were furnished electronically before the effective date of such withdrawal.
5. The Fund will cease to furnish K-1 statements, electronically or otherwise, beginning with the year after the year in which the Investor ceases to be a Limited Partner of the Fund.
6. The Investor can contact the Fund in writing in accordance with Section 13.3 of the LP Agreement to communicate any changes in its contact information. The General Partner will notify the Investor if the contact information for the Fund changes.
7. **The K-1 statements will be furnished to the Investor as a PDF (portable document format) file via email or via the Fund's secure internet portal** with the following subject line: "IMPORTANT TAX RETURN DOCUMENT AVAILABLE" when K-1 statements are available. The K-1 statement may need to be printed and attached to a U.S. federal, state, or local income tax return.

Technical Requirements: The Investor will need a computer, internet access, email software or other email access, Adobe Acrobat reader, a printer and available memory on the computer hard drive in order to access, print and retain Investor's electronic K-1 statements. The Investor may download a free copy of Adobe Acrobat Reader, which will allow the Investor to view the K-1 statements, by visiting <http://get.adobe.com/reader>. This page contains information about the system requirements needed to use the software. Alternatively, the Investor may be able to use an alternative pdf reader software.

By signing in the space indicated below (a) the Investor consents to electronic receipt of K-1 statements, through email or via the Fund's secure internet portal, in respect of (i) its interest in the Fund and (ii) any other entity classified as a partnership for U.S. federal income tax purposes that the Investor owns an interest in by reason of its purchase of the LP Units in the Fund and (b) the Investor represents that it is able to access email and open PDF documents furnished to it via email or the portal.

Entity

Individual

Print Name of Entity

Signature: _____
Print Name: _____

By: _____
Name: _____
Title: _____

ATTACHMENT 4

LIMITED PARTNER SIGNATURE PAGE FOLLOWS ON NEXT PAGE

**SIGNATURE PAGE TO AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP
(INDIVIDUAL INVESTOR)**

The undersigned has duly executed this Amended and Restated Agreement of Limited Partnership of LIV Development Fund I, LP, or caused this Agreement to be duly executed by an authorized representative of the undersigned, to be effective as of the date of admission of the undersigned as a Limited Partner of the Partnership as set forth below.

LIMITED PARTNER:

(Signature of Individual)

(Print Name)

Address: _____

The above Limited Partner is admitted as a Limited Partner of the Partnership effective as of the date set forth below.

GENERAL PARTNER:

LIV Development Fund I GP, LLC,
A Delaware limited liability company

By: _____

Name: _____

Title: Manager

Date of Admission: _____, 202__

(Signature Page for a Limited Partner that is an Individual)

**SIGNATURE PAGE TO AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP
(ENTITY INVESTOR)**

The undersigned has duly executed this Amended and Restated Agreement of Limited Partnership of LIV Development Fund I, LP, or caused this Agreement to be duly executed by an authorized representative of the undersigned, to be effective as of the date of admission of the undersigned as a Limited Partner of the Partnership as set forth below.

LIMITED PARTNER:

(Name of Entity)

By: _____

Name: _____

Title: _____

Address: _____

The above Limited Partner is admitted as a Limited Partner of the Partnership effective as of the date set forth below.

GENERAL PARTNER:

LIV Development Fund I GP, LLC,
A Delaware limited liability company

By: _____

Name: _____

Title: Manager

Date of Admission: _____, 202__

(Signature Page for a Limited Partner that is an entity)

Attachment 5

Form W-9

(attached)

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions.

You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT C

DEFINITION OF “ACCREDITED INVESTOR”

Listed below are the categories of “accredited investors” as described in Rule 501(a) of Regulation D promulgated under the Securities Act.

- (a) A natural person whose individual net worth, or joint net worth with his or her spouse, exceeds \$1,000,000 (*excluding* the value of his or her primary residence).¹
- (b) A natural person whose individual income (not including his or her spouse’s income) exceeded \$200,000 in each of the last two years or whose joint income (with his or her spouse) exceeded \$300,000 in each of those years, and who reasonably expects the same income level of income in the current year.
- (c) Any director or executive officer of the Fund.
- (d) A natural person who holds, in good standing, one of the following professional licenses: the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), or the Investment Adviser Representative license (Series 65).
- (e) A natural person who is a “knowledgeable employee,” as defined in Rule 3c-5(a)(4) under the Investment Company Act of 1940, of the Fund.
- (f) A bank as defined in Section 3(a)(2) of the Securities Act, or a 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.
- (g) A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934.
- (h) An insurance company as defined in Section 2(13) of the Securities Act.
- (i) An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that act.
- (j) A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.
- (k) A plan established and maintained by a state, its political subdivisions, or any agency or

¹ The amount of any mortgage or other indebtedness secured by an investor’s primary residence should also be excluded from the calculation of net worth, so long as the amount of the indebtedness is less than the estimated fair market value of the residence as of the date of an investor’s subscription. However, if the amount of such debt exceeds the estimated fair market value of the primary residence, the excess liability must be deducted from the net worth calculation. In addition, if the amount of such indebtedness outstanding at the time of an investor’s subscription exceeds the amount that was outstanding 60 days before the date of subscription (other than as a result of the acquisition of the primary residence), the ¹ amount of such excess must be deducted from the net worth calculation.

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.

- (l) An employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, (i) 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 adviser, or (ii) if the employee benefit plan has total assets in excess of \$5,000,000, or (iii) if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- (m) A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.
- (n) Any of the following entities not formed for the specific purpose of acquiring Units and with total assets in excess of \$5,000,000:
 - i. An organization described in Section 501(c)(3) of the Internal Revenue Code (a type of charitable organization);
 - ii. A corporation;
 - iii. A Massachusetts or similar business trust;
 - iv. A partnership; or
 - v. A limited liability company.
- (o) A trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring Units, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment.
- (p) An entity in which all the equity owners are accredited investors.

EXHIBIT D

POTENTIAL ACQUISITION TARGETS

DISCLAIMERS

THIS EXHIBIT D CONTAINS CERTAIN STATEMENTS THAT MUST BE DEEMED “FORWARD-LOOKING” STATEMENTS UNDER SECTION 27A OF THE SECURITIES ACT, INCLUDING, AMONG OTHER THINGS, DISCUSSIONS OF OUR BUSINESS PLANS AND STRATEGIES, EXPECTATIONS CONCERNING FINANCIAL POSITION, MARKET POSITION, ANTICIPATED REVENUES AND PERFORMANCE, FUTURE OPERATIONS, PROFITABILITY, LIQUIDITY AND CAPITAL RESOURCES. WORDS INCLUDING, BUT NOT LIMITED TO, “MAY,” “ANTICIPATE,” “EXPECT” AND “BELIEVE” INDICATE FORWARD-LOOKING STATEMENTS. ALTHOUGH WE BELIEVE THAT THE EXPECTATIONS REFLECTED IN SUCH FORWARD-LOOKING STATEMENTS ARE GENERALLY REASONABLE AND REFLECT THE CURRENT VIEWS OF OUR GENERAL PARTNER, SUCH STATEMENTS ARE INHERENTLY UNCERTAIN, AND WE CAN GIVE NO ASSURANCE THAT SUCH STATEMENTS WILL ULTIMATELY PROVE TO BE CORRECT. AS SUCH, ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY THE FORWARD-LOOKING STATEMENTS.

ALL PHASES OF OUR BUSINESS ARE SUBJECT TO A NUMBER OF UNCERTAINTIES AND RISKS, MANY OF WHICH ARE OUTSIDE OUR CONTROL, AND ANY ONE OF WHICH, OR ANY COMBINATION OF WHICH, COULD MATERIALLY ADVERSELY AFFECT OUR RESULTS. IMPORTANT FACTORS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM SUCH STATEMENTS. THEREFORE, YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS.

ALL OF THE FORWARD-LOOKING STATEMENTS MADE IN THIS EXHIBIT D AND ELSEWHERE IN THE MEMORANDUM ARE QUALIFIED BY THESE CAUTIONARY STATEMENTS, AND THERE CAN BE NO ASSURANCE THAT THE ACTUAL RESULTS OR DEVELOPMENTS THAT WE HAVE ANTICIPATED WILL BE REALIZED. EVEN IF THE RESULTS AND DEVELOPMENTS IN OUR FORWARD-LOOKING STATEMENTS ARE SUBSTANTIALLY REALIZED, THERE IS NO ASSURANCE THAT THEY WILL HAVE THE EXPECTED CONSEQUENCES TO, OR EFFECTS ON, OUR BUSINESS.

As of the date of this Memorandum, LIV Development is conducting due diligence on three potential assets for the Fund:

Livano Lake Norman Charlotte, North Carolina

Livano Lake Norman is a lakeside retreat nestled between the beautiful, historic towns of Mooresville and Davidson, North Carolina. Since 2000, Mooresville has grown over 60%. It’s considered one of the most coveted suburbs of Charlotte due to its quality of life and proximity to dominant employers. The project sits on a 341- acre lake surrounded by natural forest and abounding beauty. The 97-acre site straddles the Mecklenburg/ Iredell County line along I-77, approximately 20 miles north of Uptown. The surrounding area is heavily influenced by Lake Norman which is the largest man-made body of fresh water in North Carolina. Livano Lake Norman will also benefit from its location across from Lowe’s Corporate Headquarters, Corvid Technologies, and Ingersoll Rand Corporate Offices.

Phase I of the Livano Lake Norman will include 320 total units broken into 148 multifamily units, 104 townhomes, and 68 cottages. The project will feature a stand-alone clubhouse & fitness center with

8,000+ ft² of interior community space, a Livano workplace, a pet center, an outdoor lounge with a kitchen, a pool deck with grilling stations, kayak/canoe storage, dock with community seating, and an outdoor fire pit amenity. The project will also include a waterfront restaurant and a 7,600 linear foot greenway bordering the shoreline with multiple access points to the development. The project has an opportunity for a Phase II which would cover 40 acres and include 257 units. The land cost for Phase II will be carried in Phase I and all necessary approvals for Phase II will also be complete by the land closing of Phase I.

Livano Liberty Park
Birmingham, Alabama

Livano Liberty Park will be the first high-end, luxury multifamily development in Liberty Park since 2000. Exceptionally located within the brand-new, mixed-use The Bray development, the project will offer residents a true live, work, play environment with endless, pristine retail, restaurant, and recreational options. The Bray at Liberty Park is a new 700-acre town village that offers a town green with a pavilion and outdoor space directly in front of Livano Liberty Park. Livano Liberty Park and The Bray are located within the City of Vestavia Hills. Since the 1950s, Vestavia Hills has been one of Birmingham's most desirable suburbs to live in. Livano Liberty Park will occupy the last zoned site for multifamily in Vestavia Hills.

Livano Liberty Park will be comprised of two buildings - one with 270 market-rate units and one with 180 age-restricted units. The market-rate units will have the finest amenities including: Livano retail space that will host local artists, market, fitness center, sky lounge, pet center, pickleball courts and an integrated clubhouse, bistro kitchen with seating, and LIV Workplace, taking advantage of the location fronting the park. The age-restricted units will have additional amenities such as a sauna, rent-able gathering spaces, storage units, putting green, golf simulator, and screening area with seating. Those units will also have a higher level of finishes with upgraded closets, soft-close cabinets, tile floors in the bathrooms, and upgraded carpets to further elevate and distinguish the age-restricted units.

Livano Braselton
Atlanta, Georgia

Livano Braselton is a 32.52-acre site in the heart of Braselton, Georgia located off of Davis Street and Lewis Braselton Blvd. Livano Braselton will be the first ever conventional apartment development in the city of Braselton, GA. Livano Braselton is conveniently located 35 miles from the HWY 285 corridor surrounding the city of Atlanta. The Atlanta MSA boasts a population of 6.1 million people, making it the 8th largest MSA in the nation. Braselton's historic downtown is in the midst of a redevelopment plan designed to revitalize the existing downtown. Many of the town's historic buildings have already been renovated in keeping with the charm and small town feel Braselton has been known for since the Braselton brothers opened a store in the early 1900's. Visitors can enjoy year-round activities in downtown from family friendly movies to outdoor concerts, antique and garden festivals, and other holiday events. Braselton is a premier live, work and play community.

As with all Livano projects, Livano Braselton will be uniquely designed and amenitized to be top of the market for luxury and resident experience. Livano Braselton will have 258 units which include a mix of studio, 1-bedroom, 2-bedroom, 3-bedroom, and townhome units. The integrated clubhouse will include a full kitchen, state-of-the-art fitness center, leasable offices, lounges, and a coffee bar. Exterior

amenities include a resort-style pool, gas grills, a community greenspace, fire pits, and a pet care facility. The apartment units will include granite countertops, tile backsplash, stainless-steel appliances, hard surface floors, kitchen islands, and walk-in closets. As a part of this project, there will be 10.79 acres dedicated for public park and community gathering space adjacent to the development.

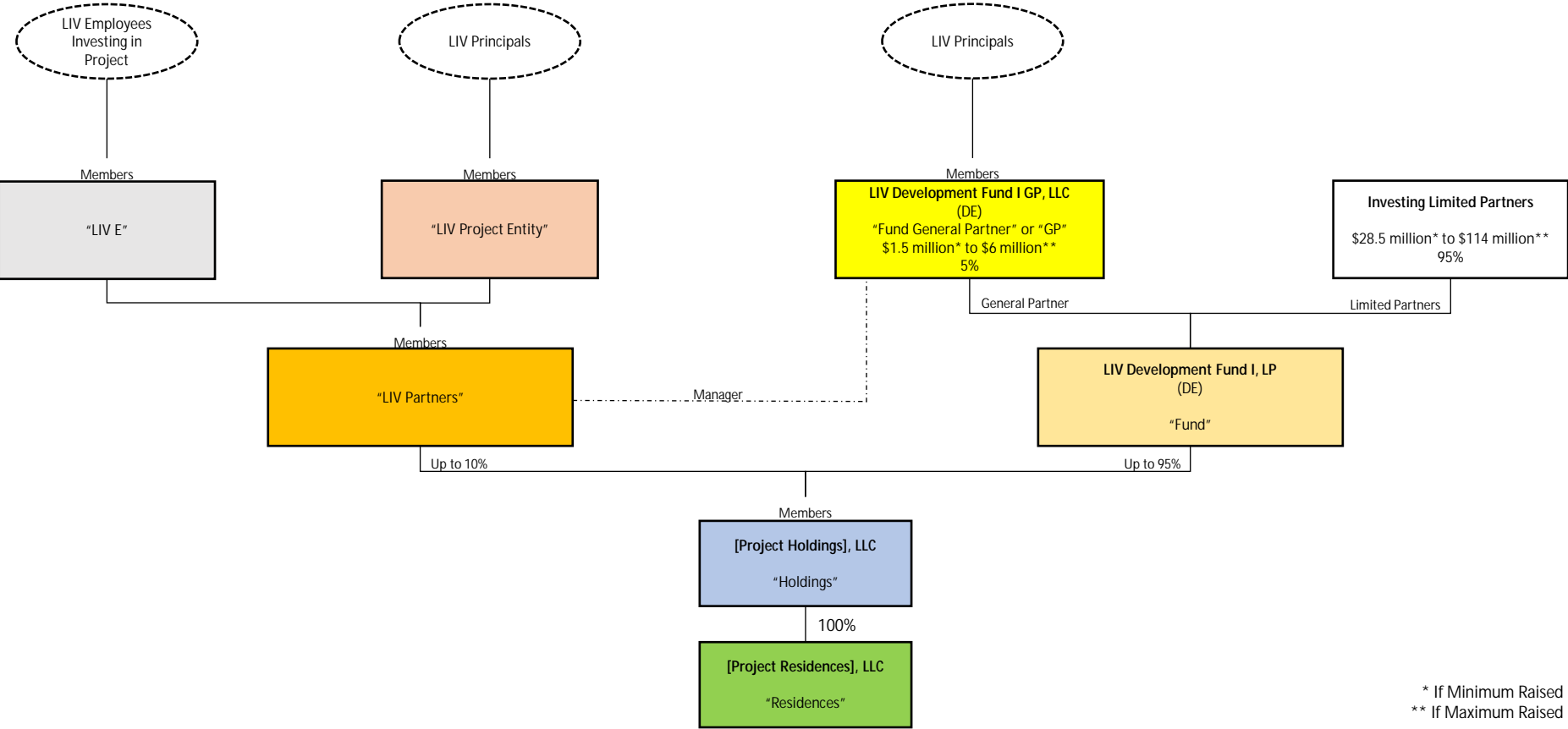
EXHIBIT E

Organizational Chart

(attached)

LIV Development Fund I, LP

Per Project Entity Structure



* If Minimum Raised
** If Maximum Raised