

PRIVATE PLACEMENT MEMORANDUM



Fundrise Opportunity Fund, LP

Up to \$500,000,000 in Common Units

**Sponsored by
Rise Companies Corp.**

We intend to qualify as a qualified opportunity fund, though there is no guarantee that we will so qualify or that any investor would be able to realize any particular tax results by making an investment in us. Our ability to be treated as a qualified opportunity fund is subject to considerable uncertainty.

The qualified opportunity zone rules were recently enacted, and there are no implementing regulations and only limited Internal Revenue Service guidance has been provided.

It is possible that we may fail to meet the requirements to be treated as a qualified opportunity fund, and there can be no guarantee that any investor will realize any tax advantages of investing in a qualified opportunity fund as a result of an investment in us.

Fundrise Opportunity Fund, LP (the “Fund”) is a recently organized Delaware limited partnership formed to originate, invest in and manage a diversified portfolio of commercial real estate properties, joint venture equity investments, and other real-estate related assets that are compelling from a risk-return perspective, particularly with a focus on multifamily rental units and office buildings located in “qualified opportunity zones” (“Opportunity Zones”), as designated by the 2017 H.R. 1, known as the Tax Cuts and Jobs Act (the “TCJA”).

The general partner of the Fund will be Fundrise Opportunity Fund GP, LLC, (the “General Partner”), of which our sponsor, Rise Companies Corp., is the sole member and manager. We have formed, and are the managing member of, Fundrise Opportunity Zone OP, LLC, a Delaware limited liability company, to hold our assets (our “Operating Partnership”). The General Partner, the Operating Partnership and the Fund will enter into an Investment Management Agreement with Fundrise Advisors, LLC (the “Manager”), pursuant to which the Manager will manage all aspects of the Fund. Our Manager is an investment adviser registered with the Securities and Exchange Commission, or SEC, and a wholly-owned subsidiary of our sponsor, Rise Companies Corp., the parent company of Fundrise, LLC, our affiliate. Fundrise, LLC owns and operates an online investment platform www.fundrise.com (the “Fundrise Platform”) that allows investors to become equity or debt holders in real estate opportunities that may have been historically difficult to access for some investors. Through the use of the Fundrise Platform, investors can browse and screen real estate investments, view details of an investment and sign legal documents online.

Our General Partner has initially elected for the Fund to be treated as a C corporation but expects to elect for the Fund to be treated as a real estate investment trust, or REIT. We are not required to make a REIT election, however, and we may select an alternative tax classification if, for example, we determine that another classification may be more appropriate in order to comply with future Opportunity Fund guidance. Except as otherwise explicitly noted below, the discussion in this private placement memorandum (“PPM”) assumes that we will make a REIT election. You should review the discussion of “U.S. Federal Income Tax Considerations” below regarding our tax classification and certain other tax considerations relating to an investment in the Fund.

We are currently offering up to \$500,000,000 in our common units, which represent limited partnership interests in the Fund, only to “accredited investors” at \$10.00 per unit in a private placement pursuant to Section 506(c) of Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”). We may

increase the offering size at any time if we so elect. The minimum investment in our common units for initial purchases is 2,500 units, or \$25,000 based on the \$10.00 per unit price. However, in certain instances, we may revise the minimum purchase requirements in the future or elect to waive the minimum purchase requirement. The per unit purchase price for our common units in this offering is an amount that was arbitrarily determined by our General Partner and will apply for the duration of the offering subject to change at the discretion of our General Partner as described below. Although we do not intend to list our common units for trading on a stock exchange or other trading market, we intend to adopt a redemption plan designed to provide our unitholders with limited liquidity on an ongoing basis for their investment in our units. However, due to the operational requirements to qualify as an "opportunity fund", it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time.

Our common units have not been and will not be registered under the Securities Act, or any state securities laws or the laws of any foreign jurisdiction. Our common units will be offered and sold pursuant to the PPM under the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated under the Securities Act and other exemptions of similar import in the laws of the states and other jurisdictions where the offering will be made. Each prospective investor will be required to represent, among other things, that it is (1) an "accredited investor" within the meaning of Rule 501(a) promulgated under the Securities Act and (2) purchasing our common units for its own account for investment purposes only and not for resale or distribution.

Because Rule 506(c) of Regulation D requires verification of an investor's status as an "accredited investor," we will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification ourselves. We or such independent third-party verification provider may contact you directly, and you must promptly work with the verification provider to complete the verification process. If we use third-party verification, the cost of such verification will be paid by each investor.

We intend to distribute our units primarily through the Fundrise Platform.

Investing in our common units is speculative and involves substantial risks. You should purchase these securities only if you can afford a complete loss of your investment. See "Risk Factors" beginning on page 32 to read about the more significant risks you should consider before buying our common units. These risks include the following:

- This offering is being made to allow investors to take advantage of recently adopted rules and regulations under the TCJA. The legal and compliance requirements of this legislation, including with regard to Opportunity Funds like us, are relatively untested.
- If we fail to qualify as an Opportunity Fund for U.S. federal income tax purposes for any period and no relief provisions apply, we would be subject to penalties and investors may not realize any tax advantages of investing in an Opportunity Fund, and in addition to that the value of our units could materially decrease.
- We depend on our Manager to select our investments and conduct our operations. We will pay fees and expenses to our General Partner and Manager and their affiliates that were not determined on an arm's length basis, and therefore we do not have the benefit of arm's length negotiations of the type normally conducted between unrelated parties. These fees increase your risk of loss.
- We have no operating history. The prior performance of our sponsor and its affiliated entities may not predict our future results. Therefore, there is no assurance that we will achieve our investment objectives.
- While we have identified one property that we intend to acquire, we have not identified any other investments to acquire with the net proceeds of this offering. You will not be able to evaluate our future investments prior to purchasing units.
- Our General Partner's and Manager's executive officers and key real estate professionals are also officers, directors, managers and/or key professionals of our sponsor and its affiliates. As a result, they will face

conflicts of interest, including time constraints, allocation of investment opportunities and significant conflicts created by our Manager's compensation arrangements with us and other affiliates of our sponsor.

- Our sponsor has sponsored and may in the future sponsor other companies that compete with us, and our sponsor does not have an exclusive management arrangement with us; however, our sponsor has adopted a policy for allocating investments between different companies that it sponsors with similar investment strategies.
- We may not be able to acquire a diverse portfolio of investments and the value of your units may vary more widely with the performance of specific assets.
- If we internalize our management functions, your interest in us could be diluted and we could incur other significant costs associated with being self-managed.
- We may change our investment guidelines without unitholder consent, which could result in investments that are different from those described in this PPM.
- We do not expect to declare any distributions until the proceeds from our offering are invested and generating operating cash flow. While our goal is to pay distributions from our cash flow from operations, we may use other sources to fund distributions, including offering proceeds, borrowings or sales of assets. We have not established a limit on the amount of proceeds we may use to fund distributions. If we pay distributions from sources other than our cash flow from operations, we will have less funds available for investments and your overall return may be reduced. In any event, if at any point we elect to be treated as a REIT, we intend to make annual distributions as required to comply with the REIT distribution requirements and avoid U.S. federal income and excise taxes on retained income.
- Our limited partnership agreement does not require our Manager to seek unitholder approval to liquidate our assets by a specified date, nor does our limited partnership agreement require our Manager to list our units for trading by a specified date. No public market currently exists for our units. Until our units are listed, if ever, you may not sell your units. If you are able to sell your units, you may have to sell them at a substantial loss.
- Our General Partner intends to elect for us to be treated as a REIT for U.S. federal income tax purposes. If we fail to qualify and no relief provisions apply, we would be subject to entity-level U.S. federal corporate income tax and, as a result, our cash available for distribution to our unitholders and the value of our units could materially decrease.
- Real estate investments, including our intended investments in Opportunity Zones, are subject to general downturns in the industry. We cannot predict what the occupancy level will be in a particular building or that any tenant or mortgage or other real estate-related loan borrower will remain solvent. We also cannot predict the future value of our properties. Accordingly, we cannot guarantee that you will receive cash distributions or appreciation of your investment.
- Our intended investments in commercial real estate and other select real estate-related assets located in Opportunity Zones will be subject to risks relating to the volatility in the value of the underlying real estate, default on underlying income streams, fluctuations in interest rates, and other risks associated with real estate investment generally. These investments are only suitable for sophisticated investors with a high-risk investment profile.

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN DECISIONS WHETHER THIS OFFERING MEETS THEIR INVESTMENT OBJECTIVES AND RISK TOLERANCE LEVEL. NO FEDERAL OR STATE SECURITIES COMMISSION HAS APPROVED, DISAPPROVED, ENDORSED, OR RECOMMENDED THIS OFFERING. NO INDEPENDENT PERSON HAS CONFIRMED THE ACCURACY OR TRUTHFULNESS OF THIS DISCLOSURE, NOR WHETHER IT IS COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS ILLEGAL.

NO STATE ADMINISTRATOR HAS REVIEWED THIS DISCLOSURE. THE ISSUER IS RELYING ON AN EXEMPTION FROM REGISTRATION OR QUALIFICATION. INVESTORS MAY BE REQUIRED TO HOLD THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. OTHER IMPORTANT RISK FACTORS ARE EXPLAINED IN DETAIL IN THIS DOCUMENT. THE NATURE OF THE OFFERING'S RISK REQUIRES THAT INVESTORS MEET MINIMUM ASSET/INCOME CONDITIONS.

THIS OFFERING IS MADE IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS DESCRIBED ABOVE. THE FUND WILL NOT BE OBLIGATED TO REGISTER THE COMMON UNITS UNDER THE SECURITIES ACT IN THE FUTURE. THERE CURRENTLY IS NO PUBLIC OR OTHER MARKET FOR THE COMMON UNITS AND IT IS NOT EXPECTED THAT ANY SUCH MARKET WILL DEVELOP. ALL OF THE COMMON UNITS WILL BE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT AND THEREFORE MAY NOT BE TRANSFERRED BY A HOLDER THEREOF WITHIN THE UNITED STATES OR TO A "U.S. PERSON" UNLESS SUCH TRANSFER IS MADE PURSUANT TO REGISTRATION UNDER THE SECURITIES ACT, PURSUANT TO AN EXEMPTION THEREFROM (INCLUDING, IF APPLICABLE RULE 144), OR IN A TRANSACTION OUTSIDE THE UNITED STATES PURSUANT TO THE RESALE PROVISIONS OF REGULATION S. MOREOVER, THE LIMITED PARTNERSHIP AGREEMENT OF THE FUND PROVIDES FOR CERTAIN RESTRICTIONS ON TRANSFERS OF COMMON UNITS.

Our offering is scheduled to continue until December 31, 2019. Our Manager may, in its sole discretion, terminate this offering at an earlier date, or extend this offering until a later date.

Investors will not pay upfront selling commissions in connection with the purchase of our common units. We will reimburse our Manager for organization and offering costs, which are expected to be approximately \$500,000, but only after we have deployed \$6,000,000 into "qualified opportunity zone" investments ("Qualified Property"). Reimbursement payments will be made in monthly installments, but the aggregate monthly amount reimbursed can never exceed 0.50% of the aggregate gross offering proceeds from this offering. If the sum of the total unreimbursed amount of such organization and offering costs, plus new costs incurred since the last reimbursement payment, exceeds the reimbursement limit described above for the applicable monthly installment, the excess will be eligible for reimbursement in subsequent months (subject to the 0.50% limit), calculated on an accumulated basis, until our Manager has been reimbursed in full. See "Management Compensation" for a description of additional fees and expenses that we will pay our General Partner and Manager.

We will offer our common units in this offering on a "best efforts, no minimum" basis through the online Fundrise Platform. Neither Fundrise, LLC nor any other affiliated entity involved in the offer and sale of the units being offered hereby is a member firm of the Financial Industry Regulatory Authority, Inc., or FINRA, and no person associated with us will be deemed to be a broker solely by reason of his or her participation in the sale of our common units.

The date of this PPM is July 31, 2018

IMPORTANT INFORMATION ABOUT THIS PRIVATE PLACEMENT MEMORANDUM

Please carefully read the information in this PPM and any accompanying PPM supplements, which we refer to collectively as the PPM. You should rely only on the information contained in this PPM. We have not authorized anyone to provide you with different information. This PPM may only be used where it is legal to sell these securities. You should not assume that the information contained in this PPM is accurate as of any date later than the date hereof or such other dates as are stated herein or as of the respective dates of any documents or other information incorporated herein by reference.

Periodically, as we make material investments or have other material developments, we may provide a PPM supplement that may add, update or change information contained in this PPM. Any statement that we make in this PPM will be modified or superseded by any inconsistent statement made by us in a subsequent PPM supplement. You should read this PPM and the related exhibits and any PPM supplement, together with additional information contained in other reports and information statements that we may periodically provide to you. See the section entitled “Additional Information” below for more details.

The PPM and all supplements and reports that we distribute in connection with this offering and your investment in the Fund can be read on the Fundrise Platform website, www.fundrise.com. The contents of the Fundrise Platform website (other than the PPM and the appendices and exhibits thereto) are not incorporated by reference in or otherwise a part of this PPM.

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STATE LAW EXEMPTION AND PURCHASE RESTRICTIONS

Our common units are being offered and sold only to “accredited investors” (as defined in Regulation D).

To determine whether a potential investor is an “accredited investor”, the investor must be a natural person who has:

1. an individual net worth, or joint net worth with the person’s spouse, that exceeds \$1,000,000 at the time of the purchase, excluding the value of the primary residence of such person; or
2. earned income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year.

If the investor is not a natural person, different standards apply. See Rule 501 of Regulation D for more details.

Because Rule 506(c) of Regulation D requires verification of an investor’s status as an “accredited investor,” we will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification ourselves. We or such independent third-party verification provider may contact you directly, and you must promptly work with the verification provider to complete the verification process. If we use third-party verification, the cost of such verification will be paid by each investor.

QUESTIONS AND ANSWERS ABOUT THIS OFFERING

The following questions and answers about this offering highlight material information regarding us and this offering that is not otherwise addressed in the “Offering Summary” section of this PPM. You should read this entire PPM, including the section entitled “Risk Factors,” before deciding to purchase our common units.

Q: What is Fundrise Opportunity Fund, LP?

A: We were recently organized as a Delaware limited partnership to originate, invest in and manage a diversified portfolio of commercial real estate properties, joint venture equity investments, and other real-estate related assets that are compelling from a risk-return perspective, particularly with a focus on multifamily rental units and office buildings located in Opportunity Zones, as designated by the TCJA. We may also invest in any asset that is deemed to be Qualified Property that is not real property, although we generally do not intend to, unless the Fund is unable to find suitable real property located in Opportunity Zones or otherwise needs to make such alternative investments to maintain its status as an Opportunity Fund. In general, we expect to make our investments through Fundrise Opportunity Zone OP, LLC, a Delaware limited liability company, and an entity treated as a partnership for U.S. federal tax purposes (the “Operating Partnership”). The Fund, together with the Manager, are expected to be the members of the Operating Partnership, with the Fund, as managing member, and the Manager making initial investments of \$1,000 and \$5,000 in units of membership interests of our Operating Partnership (“OP Units”), respectively, at \$10.00 per OP Unit. We may make our investments through majority-owned subsidiaries, including the Operating Partnership or subsidiaries of the Operating Partnership, some of which may have rights to receive preferred economic returns. The use of the terms “Fundrise Opportunity Fund I”, “the Fund”, “we”, “us” or “our” in this PPM refer to Fundrise Opportunity Fund, LP (together with the Operating Partnership) unless the context indicates otherwise.

Q: What is an Opportunity Fund?

A: An Opportunity Fund is a type of investment entity created by the recently enacted TCJA, which as a general matter requires investment in eligible property located in Opportunity Zones, which are individually designated by each state. A Opportunity Fund provides certain tax benefits for investors that invest gains from other investments in the Opportunity Fund and meet certain election and other requirements. The Fund is intended to qualify as an Opportunity Fund, though there is no guarantee that the Fund will so qualify or that any investor would be able to realize any particular tax results by making an investment in the Fund. For additional information, please see “Risk Factors” and “U.S. Federal Income Tax Considerations—Opportunity Fund Considerations.”

Q: Who will choose which investments you make?

A: Pursuant to our limited partnership agreement, our General Partner, subject to certain exceptions, is delegating its obligations to Fundrise Advisors, LLC (the “Manager”). We will enter into an Investment Management Agreement with the Manager, pursuant to which, among other responsibilities, it will make all investment decisions for the Fund. Our Manager is an investment adviser registered with the SEC, and a wholly-owned subsidiary of our sponsor, Rise Companies Corp. Registration with the SEC does not imply a certain level of skill or training.

Q: What is your targeted rate of return?

A: We will target a net 10-12% annual compounded internal rate of return on our investments over a minimum ten year anticipated holding period, a portion of which is expected to be comprised of current income, after our payment of fees, expenses and the Management Incentive Allocation (as defined below in “Management Compensation”) to the Manager. Prospective investors should bear in mind that this is a target return rather than actual returns, and we may experience substantial loss. There can be no assurance that our target returns will be achieved. The target returns established by us take into consideration a variety of assumptions, and there is no guarantee that the assumptions upon which the target returns are based will materialize.

Q: Who is Rise Companies Corp.?

A: Rise Companies Corp., our sponsor and the parent company of our General Partner and our Manager, is also the parent company of Fundrise, LLC, our affiliate. Fundrise, LLC owns and operates an online investment platform www.fundrise.com (the “Fundrise Platform”).

Q: What is the Fundrise Platform?

A: The Fundrise Platform is an online investment platform for commercial real estate. Fundrise gives investors the ability to:

- browse investment offerings based on investment preferences including location, asset type, risk and return profile;
- transact entirely online, including digital legal documentation, funds transfer, and ownership recordation; and
- manage and track investments easily through an online portfolio; receive automated distributions and/or interest payments, and regular financial reporting.

Q: What competitive advantages do you achieve through your relationship with your sponsor?

A: Our Manager will utilize the personnel and resources of our sponsor to select our investments and manage our day-to-day operations. Our sponsor’s corporate, investment and operating platforms are well established, allowing us to realize economies of scale and other benefits including the following:

- *Experienced Management Team* — Our sponsor has a highly experienced management team of real estate professionals, led by Benjamin S. Miller, its Co-Founder and Chief Executive Officer. The senior investment executives of our sponsor have dedicated their entire careers to the commercial real estate sector. These executives provide stability in the management of our business and allow us to benefit from the knowledge and industry contacts they have gained through numerous real estate cycles. Please see “Management —Executive Officers of our Manager” for biographical information regarding these individuals.
- *Real Estate Investment Experience* — As of December 31, 2017, our sponsor facilitated or originated approximately 143 real estate assets through the various Fundrise Platform investment opportunities with aggregate purchase prices of approximately \$1.9 billion, excluding 3 World Trade Center. Of the \$1.9 billion aggregate real estate purchase prices, our sponsor offered through the Fundrise Platform investment opportunities approximately \$339 million, consisting of approximately \$105 million of commercial real estate loan assets, \$132 million of investments in commercial real estate (primarily through majority-owned subsidiaries with rights to receive preferred economic returns), and \$102 million of commercial real estate common equity investments. The portfolios included in the Fundrise Platform investment opportunities are diversified by investment size, security type, property type and geographic region. As a result of the depth and thoroughness of its underwriting process, the extensive investing experience of its management team and its strong performance record in managing a diverse portfolio of assets, we believe our sponsor has earned a reputation as a leading real estate manager, which has allowed it to access funding from a broad base of investors. See “Prior Performance Summary”.
- *Market Knowledge and Industry Relationships* — Through its active and broad participation in real estate capital markets, our sponsor benefits from market information that enables it to identify attractive commercial real estate investment opportunities and to make informed decisions with regard to the relative valuation of financial assets and capital allocation. We believe that our sponsor’s extensive industry relationships with a wide variety of commercial real estate owners and operators, brokers and other intermediaries and third party commercial real estate debt originators will provide us with a competitive advantage in sourcing attractive investment opportunities to meet our investment objectives.
- *Related Party Loans and Warehousing of Assets* — If we have sufficient funds to acquire only a portion of a real estate investment then, in order to cover the shortfall, we may obtain a related party loan from,

structure a co-investment in a preferred position, or issue a participation interest to, Fundrise Lending, LLC, a wholly-owned subsidiary of Rise Companies Corp. (“Fundrise Lending”) or its affiliates. Our limited partnership agreement expressly authorizes us to enter into such related party loans and to issue such participation interests. Alternatively, Fundrise Lending or its affiliates may close and fund a real estate investment prior to it being acquired by us. This ability to warehouse investments allows us the flexibility to deploy our offering proceeds as funds are raised. We may then acquire such investment at a price equal to the fair market value of such investment, provided that its fair market value is materially equal to its cost (*i.e.*, the aggregate equity capital invested by Fundrise Lending or its affiliates in connection with the acquisition and during the warehousing of such investments, plus assumption of debt and any costs, such as accrued property management fees and transfer taxes, incurred during or as a result of the warehousing or, with respect to debt, the principal balance plus accrued interest net of any applicable special servicing expenses). See “Investment Objectives and Strategy – Related Party Loans and Warehousing of Assets”.

- *Fee Waiver Support* — To mitigate the effect of our lack of assets, revenue and operating history, our Manager has agreed, for a period until June 30, 2019 (the “fee waiver period”), to waive its investment management fee. Following the conclusion of the fee waiver period, our Manager may, in its sole discretion, waive its investment management fee, in whole or in part. The Manager will forfeit any portion of the investment management fee that is waived. For more information regarding the fee waiver support of our common units, please see “Description of Our Common Units – Distributions.”

Q: Why should I invest in commercial real estate investments located in Opportunity Zones?

A: Our goal is to provide a professionally managed, diversified portfolio consisting primarily of high-quality commercial real estate properties located in Opportunity Zones to investors who generally have had very limited access to such investments in the past. Allocating some portion of your portfolio to a direct investment in high-quality commercial real estate assets located in Opportunity Zones may provide you with:

- diversification of your portfolio, by investing in an asset class that historically has not been correlated with the stock market generally; and
- the opportunity for tax savings and capital appreciation.

Q: Who might benefit from an investment in your units?

A: An investment in our units may be beneficial for you if you have gains that are eligible to be deferred upon investing in an Opportunity Fund. It is intended that the Fund will qualify as an Opportunity Fund, and, if the Fund so qualifies, then investors who elect to treat their investment of eligible gains as an Opportunity Fund investment may achieve certain tax benefits, which are discussed further below under “U.S. Federal Income Tax Considerations—Opportunity Fund Considerations.”

In addition, an investment in our units may be beneficial for you if you seek to diversify your personal portfolio with a private commercial real estate investment vehicle focused primarily on commercial real estate equity investments and other select real estate-related assets located in Opportunity Zones, seek to receive current income, seek to preserve capital and are able to hold your investment for a time period consistent with our liquidity strategy. On the other hand, we caution persons who require immediate liquidity or guaranteed income, or who seek a short-term investment, that an investment in our units will not meet those needs.

Q: Why should I invest specifically in a company that is focused primarily on commercial real estate?

A: We believe that there is a dearth of capital in the commercial real estate industry below the radar of traditional institutional real estate investors, which market inefficiency can result in attractive risk-adjusted returns. Conventional commercial real estate capital sources use little-to-no technology and therefore generally apply outmoded and more costly human resources to originate, process, and service real estate deals. The consequence is that established real estate funds prefer to focus on larger real estate properties, equity investments of at least \$10 million, which allow them to amortize their overhead across a larger investment denominator and generate more substantial fees. Particularly since the 2008 financial crisis, this bias has been exacerbated by the tendency for institutional investors to prefer to invest with fund managers with the longest track record, which tends to be

the largest funds. As such, the largest real estate investors have grown even larger and target transactions usually requiring at least \$50 million of equity, if not more. Our operating experience has shown us that there is a significant segment of smaller commercial real estate transactions that, by and large, have been neglected by the major real estate capital players.

Q: What kind of offering is this?

A: We are primarily offering our common units through Fundrise, LLC's online investment platform www.fundrise.com, or the Fundrise Platform, at \$10.00 per unit. In addition, the Fund and the Manager will make initial investments of \$1,000 and \$5,000 in units of membership interests of our Operating Partnership ("OP Units"), respectively, at \$10.00 per OP Unit.

Q: When will this offering terminate?

A: This offering is scheduled to terminate on December 31, 2019, unless our General Partner terminates this offering at an earlier time. Our General Partner may also elect to extend this offering past December 31, 2019 in its sole discretion.

Q: What is a real estate investment trust, or REIT?

A: In general, a REIT is an entity that:

- combines the capital of many investors to acquire or provide financing for a diversified portfolio of real estate investments under professional management;
- is able to qualify as a "real estate investment trust" under the Internal Revenue Code of 1986, as amended, the Code, for U.S. federal income tax purposes and is therefore generally entitled to a deduction for the dividends it pays and not subject to U.S. federal corporate income taxes on its net income that is distributed to its unitholders. This treatment substantially eliminates the "double taxation" (taxation at both the corporate and unitholder levels) that generally results from investments in a corporation; and
- generally pays distributions to investors of at least 90% of its annual ordinary taxable income.

In this PPM, we refer to an entity that qualifies to be taxed as a real estate investment trust for U.S. federal income tax purposes as a REIT. Our General Partner intends to elect for us to be treated as a REIT for U.S. federal income tax purposes; however, we are not required to make that election and may select an alternative tax classification if, for example, we determine that another classification may be more appropriate in order to comply with future Opportunity Fund guidance.

Q: How is an investment in your common units different from investing in units of a listed REIT?

A: The fundamental difference between our common units and a listed REIT is the daily liquidity available with a listed REIT, as well as the potential tax benefits associated with Opportunity Funds. Although we intend to adopt a limited redemption plan, for investors with a short-term investment horizon, a listed REIT may be a better alternative than investing in our common units. However, we believe our common units are an alternative way for investors to deploy capital into a diversified pool of real estate assets, with a lower correlation to the general stock market than listed REITs. In addition, the overall listed-REIT sector has been trading at all-time highs, with the FTSE NAREIT All REIT Index yielding generally less than 5% from January 1, 2010 to December 31, 2016. We believe such pricing suggests that a substantial portion of the price of listed REITs is attributable to a built-in liquidity premium, since recent unlevered capitalization rates on real estate transactions in the private sector have averaged 4-6%, according to the most recent publicly available report published by CBRE U.S. Cap Rate Data from January 2017.

Additionally, listed REITs are subject to more demanding public disclosure and corporate governance requirements than we will be subject to.

Q: How is an investment in your common units different from investing in units of a traditional non-exchange traded REIT?

A: We neither charge nor pay any broker-dealer distribution fees, saving investors approximately 70% to 90% in upfront expenses as compared to a traditional non-exchange traded REIT. Traditional non-exchange traded REITs use a highly manpower-intensive method with hundreds to thousands of sales brokers calling on investors to sell their offerings. Our sponsor has pioneered a low cost digital platform, which we intend to leverage in conducting this offering, thus reducing the financial burdens to us of offering our common units.

Q: How is an investment in your common units different from investing in units of other real estate investment opportunities offered on the Fundrise Platform or on similar online investment platforms?

A: We expect to be one of the few non-exchange traded companies offered directly to potential investors who qualify as “accredited investors” primarily over the internet and one of the few companies that is intended to qualify as an Opportunity Fund under the TCJA. We are not aware of any other online investment platforms that currently offer investments that are structured as Opportunity Funds. We intend to own a more diversified portfolio, with certain tax advantages unique to Opportunity Funds, and REITs if we so elect, that is accessible to accredited investors at a low investment minimum.

Q: What is the purchase price for your common units?

A: Our General Partner set our initial offering price at \$10.00 per unit, which will be the purchase price of our units until the offering is scheduled to terminate on December 31, 2019. However, our General Partner may determine, either before the termination of the offering or in connection with our redemption plan, that it would be more appropriate to adjust the per unit purchase price (redemption price) to reflect changes in the value of the Fund, in which event, it expects to determine the fair market value of the Fund (and its common units) using a net asset value calculation (“NAV”) as described under “Description of Our Common Units—Valuation Policies” for more details. If the General Partner determines to adjust the NAV, it will be the greater of (i) \$10.00 per unit or (ii) our NAV, divided by the number of our common units outstanding as of a then-current date to be determined by the General Partner.

Q: Will I have the opportunity to redeem my common units?

A: Yes. While you should view this investment as long-term, we have adopted a redemption plan whereby, on an ongoing basis, an investor may request liquidity monthly, following a minimum sixty (60) day waiting period after submitting their redemption request. Our Manager has designed our redemption plan with a view towards providing investors with an initial period in which they can decide whether a long-term investment in the Fund is right for them. In addition, despite the illiquid nature of the assets expected to be held by the Fund, the Manager believes it is best to provide the opportunity for ongoing liquidity in the event unitholders need it in the form of a discounted redemption price (the “Redemption Price”) prior to year 5, which economic benefit indirectly accrues to unitholders who have not requested redemption. Neither the Manager nor our sponsor receives any economic benefit as a result of the discounted Redemption Price through year 5. However, due to the operational requirements to qualify as an “opportunity fund”, it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time.

See “Description of Our Common Units—Our Liquidity Philosophy and Redemption Plan” for more details.

Q: Will there be any limits on my ability to redeem my units?

A: Yes. While we designed our redemption plan to allow unitholders to request redemptions on an ongoing basis, we need to impose limitations on the size of individual redemption requests and the total amount of net redemptions per calendar quarter in order to maintain sufficient sources of liquidity to satisfy redemption requests without impacting our ability to invest in commercial real estate assets and maximize investor returns.

We intend to limit unitholders to one (1) redemption request outstanding at any given time, meaning that, if a common unitholder desires to request more or less units be redeemed, such common unitholder must first

withdraw the first redemption request, which may affect whether the request is considered in the “Introductory Period” or “Post-Introductory Period”. In addition, we intend to limit individual redemption requests to the lesser of 5,000 units or \$50,000 per each redemption request, which may affect whether the entirety of a redemption request will be considered to be in the “Introductory Period” or “Post-Introductory Period”. See “Description of Our Common Units—Our Liquidity Philosophy and Redemption Plan” for more details.

In addition, due to the operational requirements to qualify as an "opportunity fund", it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time.

Q: Will I still be entitled to distributions after I submit a request for redemption?

A: Yes. You will continue to receive distributions with respect to the common units that are subject to a redemption request between the time you make such redemption request and the effective date of the redemption. However, if you redeem your units during the Introductory Period, those distributions will be credited against the Redemption Price otherwise payable to you such that your Redemption Price will be no greater than your original investment.

Q: What is the impact on the tax benefits I might otherwise achieve if I ask to redeem my units prior to the termination of the Fund?

A: If you ask to redeem your units prior to the termination of the Fund, you may not realize all or any of the potential tax benefits offered by an investment in an Opportunity Fund. Specifically, as discussed in additional detail in “U.S. Federal Income Tax Considerations—Opportunity Fund Considerations,” certain tax benefits only result after an investor holds an interest in an Opportunity Fund for five years, seven years and ten years, and an investor that redeems before those holding periods are satisfied would not be expected to realize the applicable tax benefits. If you are investing with a view towards maximizing any tax benefits realized as a result of the Fund intending to qualify as an Opportunity Fund, you should consider not asking to redeem your units prior to the termination of the Fund.

Q: Will I be charged upfront selling commissions?

A: No. Investors will not pay upfront selling commissions as part of the price per common unit purchased in this offering. Additionally, there is no dealer manager fee or other service-related fee in connection with the offering and sale of our common units through the Fundrise Platform.

Q: Who will pay your organization and offering costs?

A: Our Manager or its affiliates will pay on our behalf all costs incurred in connection with our organization and the offering of our units. See “Estimated Use of Proceeds” for more information about the types of costs that may be incurred, including those expenses described in the next paragraph. At the election of our Manager we will start to reimburse our Manager, without interest, for these organization and offering costs incurred, but only after the Operating Partnership has deployed \$6,000,000 into Qualified Property investments. Reimbursement payments will be made in monthly installments, but the aggregate monthly amount reimbursed can never exceed 0.50% of the aggregate gross offering proceeds from this offering. Any excess costs will be rolled forward to subsequent months until paid in full.

Q: What fees and expenses will you pay to your General Partner and Manager or any of their affiliates?

A: We will pay our General Partner and Manager a number of fees and other compensation including the following:

- Investment Management Fee, subject to the fee waiver period described above
- Acquisition Fee

- Construction and Development Management Fee, if applicable
- Leasing Fee, if applicable
- Tax and Accounting Management Fee
- Guaranty Fee
- Disposition/Liquidation Fee, if applicable
- Management Incentive Allocation after unitholders receive an 8% preferred return
- Reimbursement for special servicing of non-performing assets; organization and offering expenses; acquisition expenses, operating expenses, and liquidation expenses, including “employee chargebacks” for services that could otherwise be provided by third parties

See “Management Compensation” for more details regarding the foregoing fees and “Management— *Expense Reimbursement Policies*” for details regarding the reimbursement of expenses.

Q: Will you use leverage?

A: Yes, we intend to use leverage. Our targeted portfolio-wide leverage, after we have acquired a substantial portfolio, is between 50-75% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our assets. During the period when we are acquiring our initial portfolio, we may employ greater leverage on individual assets (that will also result in greater leverage of the initial portfolio) in order to quickly build a diversified portfolio of assets. Please see “Investment Objectives and Strategy” for more details.

Q: How often will I receive distributions?

A: We generally expect only to make distributions prior to liquidation to the extent necessary to comply with the requirements for maintaining our status as a REIT, assuming that we elect to be treated as a REIT. Those requirements generally require that we make aggregate annual distributions to our unitholders of at least 90% of our REIT taxable income, computed without regard to the dividends paid deduction and excluding net capital gain. Therefore, to the extent that we have earned profits and have related cash flow that does not constitute REIT taxable income (such as, for example, because our REIT taxable income may be reduced by real estate depreciation deductions), we intend generally to retain the profit inside the Fund rather than distribute it to unitholders. As a result, such profit and cash flow will be intended to be reflected as an increase in NAV, which may eventually be recognized tax-free at a federal-level by unitholders who have elected to invest eligible gains in the Fund under the qualified opportunity zone program, when they redeem their units or the Fund is liquidated after the requisite 10-year holding period has been satisfied.

To the extent that we make distributions, we expect that our General Partner will declare and make them on a periodic basis based on taxable income, or the sale of our assets, as determined by our General Partner, in arrears. Any distributions we make will be at the discretion of our General Partner, and will be based on, among other factors, our present and reasonably projected future cash flow, the appreciated value of the underlying assets and/or our need to maintain reserves. Distributions will be paid to unitholders as of the record dates selected by the General Partner.

Any distributions that we make will directly impact our NAV, by reducing the amount of our assets.

Q: What will be the source of your distributions?

A: While our goal is to pay distributions from our cash flow from operations, we may use other sources to fund distributions. Until the proceeds from our offering are invested and generating operating cash flow, some or all of our distributions may be paid from other sources, including the net proceeds of this offering, cash advances by our Manager, cash resulting from a waiver of fees or reimbursements due to our Manager, borrowings in anticipation of future operating cash flow and the issuance of additional securities. Use of some or all of these

sources may reduce the amount of capital we invest in assets and negatively impact the return on your investment and the value of your investment. We have not established a limit on the amount of proceeds we may use to fund distributions. We can provide no assurances that future cash flow will support payment of distributions or maintaining distributions at any particular level or at all.

Q: Will the distributions I receive be taxable as ordinary income?

A: Unless we designate certain distributions as capital gain dividends, distributions that you receive generally will be taxed as ordinary income to the extent they are from current or accumulated earnings and profits. However, for taxable years beginning after December 31, 2017 and before January 1, 2026, and subject to certain limitations, pursuant to the recently enacted TCJA, non-corporate taxpayers are generally eligible for a deduction of up to 20% (subject to certain limitations) on most ordinary REIT dividends.

The portion of your distribution in excess of current and accumulated earnings and profits is considered a return of capital for U.S. federal income tax purposes and will reduce the tax basis of your investment, rather than result in current tax, until your basis is reduced to zero. Return of capital distributions made to you in excess of your tax basis in our common units will be treated as sales proceeds from the sale of our common units for U.S. federal income tax purposes. An investor's tax basis in an interest in an Opportunity Fund is initially zero, and as a result investors in the Fund may not have any tax basis to be returned in the form of return of capital distributions. Distributions we designate as capital gain dividends will generally be taxable at long-term capital gains rates for U.S. federal income tax purposes. As discussed above under "Questions and Answers about this Offering: How often will I receive distributions?", we generally do not intend to make distributions in excess of our current and accumulated earnings and profits.

Because each investor's tax considerations are different, we recommend that you consult with your tax advisor. You also should review the section of this PPM entitled "U.S. Federal Income Tax Considerations," including for a discussion of the special rules applicable to distributions in redemption of units and liquidating distributions.

Q: Are there any risks involved in buying your units?

A: Investing in our common units involves a high degree of risk. If we are unable to effectively manage the impact of these risks, we may not meet our investment objectives, and therefore, you should purchase these securities only if you can afford a complete loss of your investment. See "Risk Factors" for a description of the risks relating to this offering and an investment in our units.

Q: How does a "best efforts" offering work?

A: When common units are offered on a "best efforts" basis, we are only required to use our best efforts to sell our common units.

Q: Who can buy units?

A: You may purchase units only if you are an "accredited investor" under Rule 501(a) of Regulation D.

Q: How do I buy units?

A: You may purchase our common units in this offering by creating a new account, or logging into your existing account, at the Fundrise Platform. You will need to fill out a subscription agreement like the one attached to this PPM as Appendix B for a certain investment amount and pay for the units at the time you subscribe.

Because Rule 506(c) of Regulation D requires verification of an investor's status as an "accredited investor," we will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification ourselves. We or such independent third-party verification provider may contact you directly, and you must promptly work with the verification provider to complete the verification process. If we use third-party verification, the cost of such verification will be paid by each investor.

Q: Is there any minimum investment required?

A: Yes. You must initially purchase at least 2,500 units in this offering, or \$25,000 based on the per unit price. There is no minimum investment requirement on additional purchases after you have purchased a minimum of 2,500 units. However, in certain instances, we may revise the minimum purchase requirements in the future or elect to waive the minimum purchase requirement.

In addition, in order to help protect us from the risk of chargebacks, we intend to require that any subscription in excess of \$100,000 of our units be funded through a bank wire transfer and not an ACH electronic fund transfer.

Q: May I make an investment through my IRA or other tax-deferred retirement account?

A: Generally, no. Our General Partner does not believe investments in the Fund are suitable for IRA or other tax-deferred retirement accounts; however, our General Partner will consider such requests on a case-by-case basis.

Q: What will you do with the proceeds from your offering?

A: We expect to use substantially all of the net proceeds from this offering (after paying or reimbursing organization and offering expenses) to acquire interests in the Operating Partnership, which will invest in and manage a diverse portfolio of commercial real estate properties located in Opportunity Zones. We may make our investments through majority-owned subsidiaries, some of which may have rights to receive preferred economic returns. We expect that any expenses or fees payable to our Manager for its services in connection with managing our daily affairs, including but not limited to, the selection and acquisition or origination of our investments, will eventually be paid from cash flow from operations. If such fees and expenses are not paid from cash flow (or waived) they will reduce the cash available for investment and distribution and will directly impact our NAV. See “Management Compensation” for more details regarding the fees that will be paid to our Manager and its affiliates.

We or our Operating Partnership may also invest in any asset that is deemed to be Qualified Property that is not real property in the event we are unable to fund suitable real property located in Opportunity Zones or otherwise need to make such alternative investments to maintain our status as a an Opportunity Fund. Qualified Property includes “qualified opportunity zone business property,” as well as certain interests in entities that are treated as a “qualified opportunity zone business.” Generally, qualified opportunity zone business property is tangible property that meets certain specified requirements and is located in areas designated as an Opportunity Zone by each state (including possessions of the United States and the District of Columbia) pursuant to certain requirements in the Code.

Our Operating Partnership may not be able to promptly invest the net proceeds of this offering in commercial real estate and other select real estate-related assets. In the interim, we may invest in short-term, highly liquid or other authorized investments. Such short-term investments will not earn as high of a return as we expect to earn on our real estate-related investments.

Q: How long will this offering last?

A: We currently expect that this offering will remain open until December 31, 2019, unless terminated by us at an earlier time. We reserve the right to terminate or extend this offering for any reason at any time.

Q: Will I be notified of how my investment is doing?

A: Yes, we will provide you with periodic updates on the performance of your investment in us, including:

- annual audited financial statements within 120 days after our fiscal year end; and
- supplements to the PPM, if we have material information to disclose to you.

We will provide this information to you by posting such information on the Fundrise Platform at www.fundrise.com, via e-mail, or, upon your consent, via U.S. mail.

Q: When will I get my detailed tax information?

A: Your IRS Form 1099-DIV tax information, if required, will be provided by January 31 of the year following each taxable year.

Q: Who can help answer my questions about the offering?

A: If you have more questions about the offering, or if you would like additional copies of this PPM, you should contact us by email at investments@fundrise.com or by mail at:

Fundrise Opportunity Fund, LP

1601 Connecticut Avenue NW

Suite 300

Washington, D.C. 20009

Attn: Investor Relations

OFFERING SUMMARY

This offering summary highlights material information regarding our business and this offering that is not otherwise addressed in the “Questions and Answers About this Offering” section of this PPM. Because it is a summary, it may not contain all of the information that is important to you. To understand this offering fully, you should read the entire PPM carefully, including the “Risk Factors” section before making a decision to invest in our common units.

Fundrise Opportunity Fund, LP

Fundrise Opportunity Fund, LP is a recently organized Delaware limited partnership formed to originate, invest in and manage a diversified portfolio of commercial real estate properties, joint venture equity investments, and other real-estate related assets that are compelling from a risk-return perspective, particularly with a focus on multifamily rental units and office buildings located in Opportunity Zones, as designated by the TCJA. We may also invest in any asset that is deemed to be Qualified Property that is not real property, although we generally do not intend to, unless the Fund is unable to find suitable real property located in Opportunity Zones or otherwise needs to make such alternative investments to maintain its status as an Opportunity Fund. Our General Partner has initially elected for the Fund to be treated as a C corporation but expects to elect for the Fund to be treated as a real estate investment trust, or REIT. We are not required to make that election, however, and may select an alternative tax classification if, for example, we determine that another classification may be more appropriate in order to comply with future Opportunity Fund guidance. Except as otherwise explicitly noted below, the discussion in this PPM assumes that we will make a REIT election. We intend to operate in a manner that will allow us to qualify as an Opportunity Fund under the TCJA. However, there can be no assurances that we will qualify as a REIT or as an Opportunity Fund.

The Fund is organized with the express purpose to qualify as an Opportunity Fund, and as such, our Manager may modify the offering terms, management and operating structure in order to become or remain compliant as an Opportunity Fund.

Our office is located at 1601 Connecticut Avenue NW, Suite 300, Washington, D.C. 20009. Our telephone number is (202) 584-0550. Information regarding the Fund is also available on our web site at www.fundrise.com.

Investment Strategy

We intend to use substantially all of the proceeds of this offering to acquire interests in our Operating Partnership, which will originate, acquire, asset manage, operate, selectively leverage, syndicate and opportunistically sell commercial real estate properties in targeted Opportunity Zones. We intend to acquire and operate real estate and real estate-related assets on an opportunistic basis within select Opportunity Zones. Our management has extensive experience investing in numerous types of properties. Thus, we may acquire a wide variety of commercial properties, including multifamily, office, industrial, retail, hospitality, recreation and leisure, single-tenant, single family rental housing, and other real properties. These properties may be existing, income-producing properties, newly constructed properties or properties under development or construction and may include multifamily properties purchased for conversion into condominiums and single-tenant properties that may be converted for multifamily use.

We focus on acquiring Qualified Property with significant possibilities for capital appreciation, such as those requiring development, redevelopment or repositioning and those located in Opportunity Zone markets with high growth potential. We intend to hold at least 90% of our assets as Qualified Property. We also may invest in real estate-related securities, including securities issued by other real estate companies, either for investment or in change of control transactions completed on a negotiated basis or otherwise, and in bridge and mezzanine loans that may lead to an opportunity to purchase a real estate interest. In addition, to the extent that our Manager and its investment committee determines that it is advantageous, we also may make or invest in Code Section 1031 tenant-in-common interests. We expect that our portfolio of debt investments, if any, will be secured primarily by U.S. based collateral and diversified by security type, property type and geographic location.

We may enter into one or more joint ventures, tenant-in-common investments or other coownership arrangements for the acquisition, development or improvement of properties with third parties or affiliates of our

Manager, including present and future real estate investment offering and REITs sponsored by affiliates of our sponsor.

Investment Objectives

Our investment objectives are:

- to invest in Qualified Property to capture the potential growth from and tax advantages offered under the Tax Cuts and Jobs Act;
- to realize growth in the value of our investments no earlier than approximately 10 years of the termination of this offering;
- to grow net cash from operations so more cash is available for reinvestment into the fund or for distributions to investors;
- to pursue a mandate of investment growth and tax efficiency; and
- to preserve, protect and return your capital contribution.

We cannot assure you that we will attain these objectives or that the value of our assets will not decrease. Furthermore, within our investment objectives and policies, our Manager will have substantial discretion with respect to the selection of specific investments and the purchase and sale of our assets. Our Manager's investment committee will review our investment guidelines at least annually to determine whether our investment guidelines continue to be in the best interests of our unitholders.

Potential Structural Changes

Our General Partner may modify the Fund's corporate structure and our General Partner and Manager may modify our investment objectives without unitholder consent in order to ensure that the Fund is able to satisfy the requirements for qualifying as an Opportunity Fund.

Our Initial Property

We have identified 2021 4th Street, NW, Washington DC 20009 ("2021 4th Street") as the first property that our Operating Partnership intends to acquire. 2021 4th Street was acquired by our sponsor on July 9, 2018 in anticipation of the formation of the Fund and will be sold to the Fund for the same price at which it was acquired by the sponsor (\$1,200,000) plus associated closing costs. If we have not raised sufficient offering proceeds to purchase the property, our sponsor intends to provide us with a loan to cover the balance of the purchase price as described under See "Investment Objectives and Strategy – Related Party Loans and Warehousing of Assets." Additional offering proceeds we raise will first be used to repay such loan.

2021 4th Street is an approximately 3,500 square foot vacant building, consisting of two residential units and ground floor retail. The property is located on the corner of Fourth Street NW in the heart of Washington DC's historic LeDroit Park neighborhood. The property was originally a mixed-use building with neighborhood-serving retail on the first floor and apartments on the second and third. Since that time, the property has slowly deteriorated. The retail portion of the building has been without a certificate of occupancy for nearly 20 years. After we acquire the property, we expect to renovate and substantially improve it within 30 months, including adding an addition of approximately 1,000 square feet, for a total budget of \$2,450,000, including the expected acquisition cost. Such renovation is expected to permit the property to be deemed Qualified Property for purposes of the TCJA. Our initial acquisition of the property will be funded with cash (subject to any loan we obtain from our sponsor), although we may obtain a mortgage loan with respect to a portion of the renovation costs and we intend to obtain a mortgage loan upon project completion and stabilization.

As our Operating Partnership intends to acquire 2021 4th Street from our sponsor, the Independent Representative is expected to review and approve of the transaction prior to its consummation.

Market Opportunity: An Overview of the Opportunity Zones Program

The TCJA on December 22, 2017 created new sections of the Code (Sections 1400Z-1 and 1400Z-2) that provide tax incentives for investments in targeted areas in the United States through investment vehicles called Opportunity Funds. Opportunity Funds could be a major catalyst to spur the redevelopment of American communities and growth across the country. The purpose of this new investment vehicle is to help direct resources to Opportunity Zones. The program allows investors to defer, reduce, and eliminate federal tax on various capital gains by investing gains into an Opportunity Fund.

Note, however, that as of the date of this PPM, there is uncertainty regarding the qualified opportunity zone program, as the U.S. Department of the Treasury (“Treasury”) has not released guidance to many of the questions left open by the legislation. Chief among such open questions are: (a) what kind of gains, other than capital gains, if any, can be properly rolled into an Opportunity Fund, (b) how much time does an Opportunity Fund have to deploy the capital it has raised and (c) tax treatment of gains in an Opportunity Fund held through a pass-through entity, such as a partnership. Accordingly, the discussion below of various aspects of the Opportunity Zone program is based upon positions that our sponsor believes to be reasonable given the statute as currently written and prior Treasury and IRS precedent; however, there can be no assurance that the discussion below will ultimately prove to be correct as Treasury begins issuing guidance on these various matters.

The key aspects of the program are:

Opportunity Zones – Opportunity Zones are census tracts nominated by governors and certified by the Treasury into which investors can invest in new projects to spur economic development in exchange for certain federal capital gains tax advantages.

Opportunity Funds – Opportunity Funds are investment vehicles that invest at least 90% of their capital in Qualified Property, which includes qualified opportunity zone stock, qualified opportunity zone partnerships interests and qualified opportunity zone business property. The fund model enables a broad array of investors to pool their resources in Qualified Property, increasing the scale of capital going to investments in which the Fund will invest.

To capture the potential tax benefits offered by an Opportunity Fund, an investor must invest the gains from a sale or exchange of a prior investment into an Opportunity Fund within 180 days after the sale of that investment (e.g., stock, bonds or real estate). The investor only has to roll over the gain or profit from the sale or exchange of the investment into an Opportunity Fund, but not the original principal of the investment. In other words, if an investor realizes a gain from the sale or exchange of an investment to an unrelated party, the investor has 180 days from the date of disposition to reinvest the amount of that gain into an Opportunity Fund. Note, however, that while we believe it is reasonable that capital gains from each of these assets are eligible for the benefits of an Opportunity Fund investment, absent additional guidance from the Treasury, there remains uncertainty as to which gains are eligible

Investing in Opportunity Funds can provide the following three key potential tax incentives to investors:

1. **Deferral of qualifying gain:** A tax deferral for any qualifying gains that are timely reinvested in an Opportunity Fund. The deferred gain would be recognized on the earlier of December 31, 2026 or the date on which the interest in the Opportunity Fund is sold.
2. **Reduction of the amount of gain recognized:** A step-up in basis for qualifying gains that are timely reinvested in an Opportunity Fund. The basis of the original investment is increased by 10% of the deferred gain if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years (before December 31, 2026), and by an additional 5% if held for at least 7 years (before December 31, 2026), excluding up to 15% of the original gain from taxation. In other words, if by December 31, 2026 an investor has held an investment in an Opportunity Fund for 7 years, then the tax on the initially deferred gain is expected to be reduced by 15%, or by 5% if held for only five years.

3. **No tax on future appreciation from an investment in an Opportunity Fund:** Additional gains beyond the initially deferred gain from the sale of an investment in an Opportunity Fund would receive a permanent elimination from federal capital gains taxes, provided that the investment is held for at least 10 years.

To receive the most potentially favorable tax treatment under Code Section 1400Z-2, investors are incentivized to hold their interest in an Opportunity Fund over the long-term, providing the most potential tax-related upside to those who hold their investment for 10 years or more.

Our General Partner and Our Manager

Pursuant to our limited partnership agreement, our General Partner, subject to certain exceptions, is delegating its obligations to Fundrise Advisors, LLC (the “Manager”). We will enter into an Investment Management Agreement with the Manager, pursuant to which, among other responsibilities, it will make all investment decisions for the Fund. Such delegation does not cause the Manager to be the general partner of the Fund. Our Manager is an investment adviser registered with the SEC and a wholly-owned subsidiary of our sponsor. Registration with the SEC does not imply a certain level of skill or training. A team of real estate professionals, acting through our Manager, will provide real estate investment and asset management services and make all the decisions regarding the selection, negotiation, financing, (re)development, and disposition of our investments, subject to the limitations in our limited partnership agreement. Our Manager will also provide marketing, market analysis, investor relations and other administrative services on our behalf with the goal of maximizing our operating cash flow and preserving our invested capital. Rise Companies Corp., our sponsor, is able to exercise significant control over our business

About the Fundrise Platform

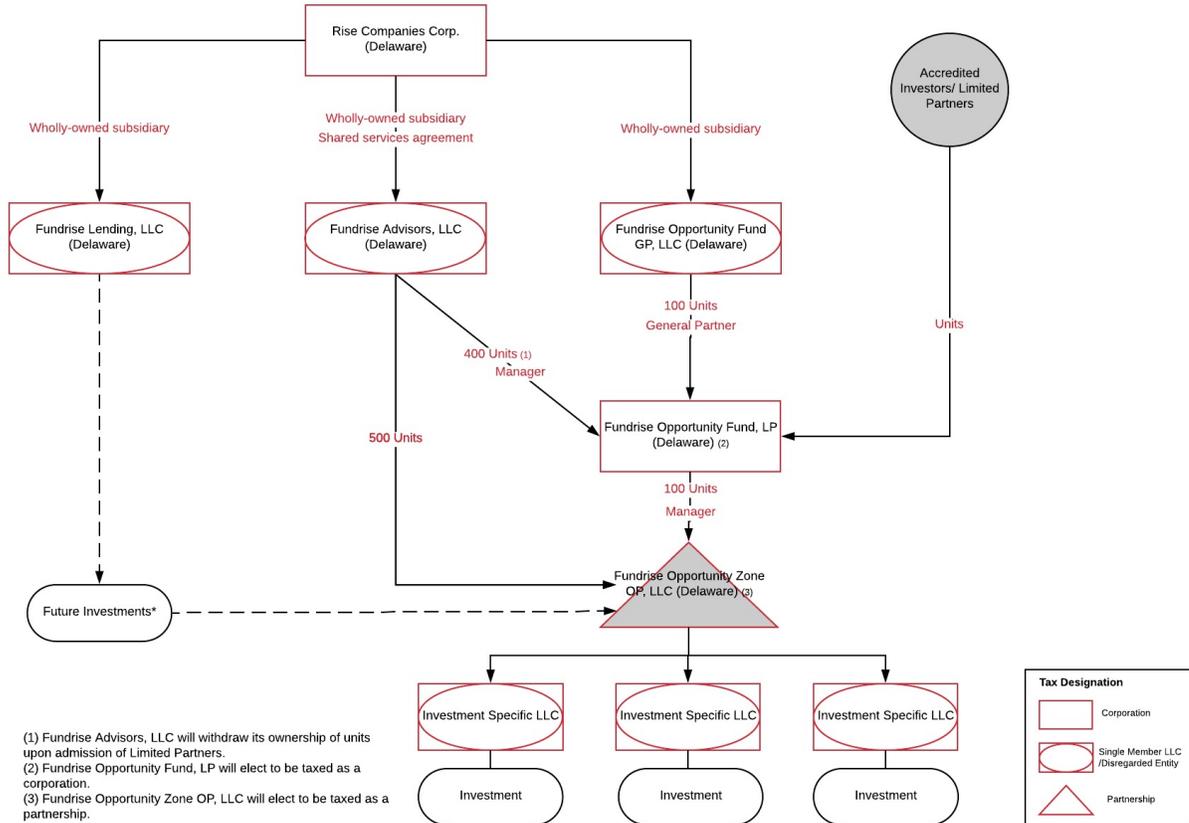
We are also an affiliate of Fundrise, LLC, the owner and operator of an online financial platform focused on real estate, which may be found on the website: www.fundrise.com (the “Fundrise Platform”). Fundrise, LLC is a wholly-owned subsidiary of Rise Companies Corp., our sponsor.

Benjamin S. Miller, the co-founder and Chief Executive Officer of Rise Companies Corp., is responsible for overseeing the day-to-day operations of Rise Companies Corp. and its affiliates, including Fundrise, LLC.

Our Structure

The chart below shows the relationship among various Rise Companies Corp. affiliates and the Fund as of the date of this PPM.

Fundrise Opportunity Fund, LP
Entity Organizational Chart



* As we raise sufficient offering proceeds to acquire investments, (i) we may obtain a related party loan from, or issue a participation interest to, Fundrise Lending or its affiliates, or (ii) Fundrise Lending or its affiliates may acquire such investments and sell them to us at a later time. See “Investment Objectives and Strategy – Related Party Loans and Warehousing of Assets.”

** Pursuant to the Investment Management Agreement, the Manager will receive an investment management fee. See “Management Compensation.”

Management Compensation

Our General Partner, Manager and their affiliates will receive fees and expense reimbursements for services relating to this offering and the investment and management of our assets. Neither our General Partner, Manager nor their affiliates will receive any selling commissions or dealer manager fees in connection with the offer and sale of our common units. See “Management Compensation” for a more detailed explanation of the fees and expenses payable to our General Partner, Manager and their affiliates.

Risk Factors

Investing in our common units involves a high degree of risk. You should carefully review the “Risk Factors” section of this PPM, which contains a detailed discussion of the material risks that you should consider before you invest in our common units.

Conflicts of Interest

Our Manager and its affiliates experience conflicts of interest in connection with the management of our business. Some of the material conflicts that our Manager and its affiliates face include the following:

- Our Manager may acquire from or engage in transactions with affiliates, under common control but not common ownership, in order to facilitate the Fund's management and execution, including providing take out equity financing, selling, purchasing, and contracting for services from affiliates of our Manager.
- Our sponsor's real estate professionals acting on behalf of our Manager must determine which investment opportunities to recommend to us and other Fundrise entities. Our Manager and its affiliates may allocate investments that are located in Opportunity Zones between us and other funds formed by our sponsor. Our sponsor has previously organized, as of the date of this PPM, seven (7) eREITsSM and three (3) eFundsSM.
- Our sponsor's real estate professionals acting on behalf of our Manager have to allocate their time among us, our sponsor's business and other programs and activities in which they are involved.
- The terms of our limited partnership agreement (including the Manager's rights and obligations and the compensation payable to our Manager and its affiliates) were not negotiated at arm's length.
- See "Conflicts of Interest" for more information regarding potential conflicts of interest.

Distributions

We generally expect to make distributions prior to liquidation only to the extent necessary to comply with the requirements for maintaining our status as a REIT, assuming that we elect to be treated as a REIT. Those requirements generally require that we make aggregate annual distributions to our unitholders of at least 90% of our REIT taxable income, computed without regard to the dividends paid deduction and excluding net capital gain. Therefore, to the extent that we have earned profits and have related cash flow that does not constitute REIT taxable income (such as, for example, because our REIT taxable income may be reduced by real estate depreciation deductions), we intend generally to retain the profit inside the Fund rather than distribute it to unitholders. As a result, such profit and cash flow will be intended to be reflected as an increase in NAV, which may eventually be recognized tax-free at a federal-level by unitholders who have elected to invest eligible gains in the Fund under the qualified opportunity zone program, when they redeem their units or the Fund is liquidated after the requisite 10-year holding period has been satisfied.

To the extent that we make distributions, we expect that our General Partner will declare and make them on a periodic basis as determined by our General Partner, in arrears. Any distributions we make will be at the discretion of our General Partner, and will be based on, among other factors, our present and reasonably projected future cash flow, the appreciated value of the underlying assets and/or our need to maintain reserves. Distributions will be paid to unitholders as of the record dates selected by the General Partner.

Borrowing Policy

We may employ conservative levels of borrowing in order to provide additional funds to support our investment activities. Our target portfolio-wide leverage after we have acquired an initial substantial portfolio of diversified investments, is between 50-75% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our assets. See "Investment Objectives and Strategy – Borrowing Policy" for more details regarding our leverage policies.

Valuation Policies

Our General Partner set our initial offering price at \$10.00 per unit, which will be the purchase price of our units until the offering is scheduled to terminate on December 31, 2019. However, our General Partner may determine, either before the termination of the offering or in connection with our redemption plan, that it would be more appropriate to adjust the per unit purchase price (redemption price) to reflect changes in the value of the Fund, in which event, it expects to determine the fair market value of the Fund (and its common units) using a net asset value

calculation (“NAV”) as described under “Description of Our Common Units— Valuation Policies” for more details. If the General Partner determines to adjust the NAV, it will be the greater of (i) \$10.00 per unit or (ii) our NAV, divided by the number of our common units outstanding as of a then-current date to be determined by the General Partner.

Redemption Plan

Our common units are currently not listed on a national securities exchange or included for quotation on a national securities market, and currently there is no intention to list our common units. In order to provide our unitholders with some limited liquidity, we have adopted a redemption plan to enable unitholders to redeem their common units in limited circumstances. However, due to the operational requirements to qualify as an "opportunity fund", it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time. Please refer to the section entitled “Description of Our Common Units—Our Liquidity Philosophy and Redemption Plan” for more information.

Liquidity Event

Subject to then existing market conditions, we may consider alternatives to our liquidation as a means for providing liquidity to our unitholders after approximately ten years from the completion of this offering. While we expect to seek a liquidity transaction in this time frame, there can be no assurance that a suitable transaction will be available or that market conditions for a transaction will be favorable during that time frame. Our General Partner has the discretion to consider a liquidity transaction at any time if it determines such event to be in our unitholder’s best interests. A liquidity transaction could consist of a sale or partial sale of our assets, a sale or merger of the Fund, a consolidation transaction with other companies managed by our Manager or its affiliates, a listing of our units on a national securities exchange or a similar transaction. We do not have a stated term, as we believe setting a finite date for a possible, but uncertain future liquidity transaction may result in actions that are not necessarily in the best interest or within the expectations of our unitholders.

Voting Rights

Our common unitholders will have voting rights only with respect to certain matters, primarily relating to amendments to our limited partnership agreement that would adversely change the rights of the common units, removal of our General Partner for “cause,” and the dissolution of the issuer (only if the General Partner has been removed for “cause”). Each outstanding common unit entitles the holder to one vote on all matters submitted to a vote of common unitholders. Our unitholders do not elect or vote on our General Partner, and, unlike the holders of common units in a corporation, have only limited voting rights on matters affecting our business, and therefore limited ability to influence decisions regarding our business. For additional information, see “Description of Our Common Units— Voting Rights.”

Other Governance Matters

Other than the limited unitholder voting rights described above, our limited partnership agreement vests most other decisions relating to our assets and to the business of the Fund, including decisions relating to acquisitions, originations and dispositions, the engagement of asset managers, the issuance of securities in the Fund including additional common units, mergers, dispositions, roll-up transactions, and other decisions relating to our business, in our Manager. See “Management” for more information about the rights and responsibilities of our Manager.

Investment Company Act Considerations

We intend to conduct our operations so that neither we, nor any of our subsidiaries, is required to register as investment companies under the Investment Company Act of 1940, as amended, or the Investment Company Act.

Qualification for exemption from registration under the Investment Company Act will limit our ability to make certain investments. To the extent that the SEC staff provides more specific guidance regarding any of the matters bearing upon such exclusions, we may be required to adjust our strategy accordingly. Any additional guidance from

the SEC staff could provide additional flexibility to us, or it could further inhibit our ability to pursue the strategies we have chosen.

The loss of our exclusion from regulation pursuant to the Investment Company Act could require us to restructure our operations, sell certain of our assets or abstain from the purchase of certain assets, which could have an adverse effect on our financial condition and results of operations. See “Risk Factors—Risks related to Our Organizational Structure—Maintenance of our Investment Company Act exemption imposes limits on our operations, which may adversely affect our operations.”

RISK FACTORS

An investment in our common units involves substantial risks. You should carefully consider the following risk factors in addition to the other information contained in this PPM before purchasing units. The occurrence of any of the following risks might cause you to lose a significant part of your investment. The risks and uncertainties discussed below are not the only ones we face, but do represent those risks and uncertainties that we believe are most significant to our business, operating results, prospects and financial condition. Some statements in this PPM, including statements in the following risk factors, constitute forward-looking statements. Please refer to the section entitled “Statements Regarding Forward-Looking Information.”

Risks Related to an Investment in Fundrise Opportunity Fund, LP

We have no prior operating history, and the prior performance of our sponsor or other real estate investment opportunities sponsored by our sponsor may not predict our future results.

We are a recently formed company and have no operating history. As of the date of this PPM, we have not made any investments, although we have identified one property for acquisition (see “Investment Objectives and Strategy —Property Identified for Future Purchase” for more information). You should not assume that our performance will be similar to the past performance of our sponsor or other real estate investment opportunities sponsored by our sponsor. Our lack of an operating history significantly increases the risk and uncertainty you face in making an investment in our units.

There is no assurance that we will be successful in qualifying as an Opportunity Fund under the TCJA.

We were organized with the express purposes of qualifying as an Opportunity Fund under the TCJA. However, the TCJA is a relatively new law and its provisions regarding Opportunity Funds are as yet untested. In addition, future legislation or guidance from the IRS may negatively affect our ability to qualify as an Opportunity Fund. As of the date of this PPM, we have not made or located any potential investments in Opportunity Zones. Therefore, you should not assume that we will be successful in achieving our investment objectives.

Because no public trading market for your units currently exists, it will be difficult for you to sell your units and, if you are able to sell your units, you will likely sell them at a substantial discount to the offering price.

Our limited partnership agreement does not require our General Partner to seek unitholder approval to liquidate our assets by a specified date, nor does our limited partnership agreement require our General Partner to list our units for trading on a national securities exchange by a specified date. There is no public market for our units and we currently have no plans to list our units on a stock exchange or other trading market. In addition, our limited partnership agreement prohibits the ownership of more than 9.8% in value or number of our units, whichever is more restrictive, or more than 9.8% in value or number of our common units, whichever is more restrictive, unless exempted by our General Partner, in its discretion. This provision may inhibit large investors from purchasing your units. In its sole discretion, including to protect our operations and our non-redeemed unitholders or to prevent an undue burden on our liquidity, if applicable, our General Partner could amend, suspend or terminate our redemption plan without notice. Further, the redemption plan includes numerous restrictions that would limit your ability to sell your units. We describe these restrictions in more detail under “Description of Our Common Units —Our Liquidity Philosophy and Redemption Plan.” Therefore, it will be difficult for you to redeem and/or sell your units promptly or at all. If you are able to sell your units, you would likely have to sell them at a substantial discount to their offering price. It is also likely that your units would not be accepted as the primary collateral for a loan. Because of

the illiquid nature of our units, you should purchase our units only as a long-term investment and be prepared to hold them for an indefinite period of time. In addition, due to the operational requirements to qualify as an "opportunity fund", it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time.

If we are unable to find suitable investments in Opportunity Zones, we may not be able to achieve our investment objectives or pay distributions.

Our ability to achieve our investment objectives and to pay distributions depends upon the performance of our Manager in the acquisition of suitable investments in Opportunity Zones and the ability of our Manager to source investment opportunities for us. The more money we raise in this offering, the greater our challenge will be to invest all of the net offering proceeds on attractive terms, and in particular to ensure that the Fund holds at least 90% of its assets in Qualified Property. Except for investments that may be described in supplements to this PPM prior to the date you subscribe for our units, you will have no opportunity to evaluate the economic merits or the terms of our investments before making a decision to invest in the Fund. You must rely entirely on the management abilities of our Manager. We cannot assure you that our Manager will be successful in obtaining suitable investments on financially attractive terms or that, if our Manager makes investments on our behalf, our objectives will be achieved. If we, through our Manager, are unable to find suitable investments in Opportunity Zones promptly, we may hold the proceeds from this offering in an interest-bearing account or invest the proceeds from this offering in short-term assets in a manner that is consistent with our qualification as an Opportunity Fund, and we may also otherwise make such alternative investments to maintain our status as an Opportunity Fund. If we would continue to be unsuccessful in locating suitable investments, we may ultimately decide to liquidate. In the event we are unable to timely locate suitable investments, we may be unable or limited in our ability to pay distributions and we may not be able to meet our investment objectives.

If we pay distributions from sources other than our cash flow from operations, we will have less funds available for investments and your overall return will be reduced.

Although our distribution policy is to use our cash flow from operations to make distributions, our organization documents permit us to pay distributions from any source, including offering proceeds, borrowings, or sales of assets. Until the proceeds from this offering are fully invested and from time to time during the operational stage, we may not generate sufficient cash flow from operations to fund distributions. If we pay distributions from financings, the net proceeds from this or future offerings or other sources other than our cash flow from operations, we will have less funds available for investments in real estate properties and other real estate-related assets and the number of real estate properties that we invest in and the overall return to our unitholders may be reduced. If we fund distributions from borrowings, our interest expense and other financing costs, as well as the repayment of such borrowings, will reduce our earnings and cash flow from operations available for distribution in future periods, and accordingly your overall return may be reduced. If we fund distributions from the sale of assets or the maturity, payoff or settlement of debt investments, this will affect our ability to generate cash flows from operations in future periods.

Future disruptions in the financial markets or deteriorating economic conditions could adversely impact the commercial real estate market as well as the market for equity-related investments generally, which could hinder our ability to implement our business strategy and generate returns to you.

We intend to originate and acquire a diversified portfolio of commercial real estate equity investments located in Opportunity Zones. We may make our investments through majority-owned subsidiaries, some of which may have rights to receive preferred economic returns. Economic conditions greatly increase the risks of these investments (see "— Risks Related to Our Investments"). The success of our business is significantly related to general economic conditions and, accordingly, our business could be harmed by an economic slowdown and downturn in real estate asset values, property sales and leasing activities. Periods of economic slowdown or recession, significantly rising interest rates, declining employment levels, decreasing demand for real estate, declining real estate values, or the public perception that any of these events may occur, can reduce volumes for many of our business lines. These economic conditions could result in a general decline in acquisition, disposition and leasing activity, as well as a general decline in the value of real estate and in rents, which in turn would reduce

revenue from property management fees and brokerage commissions derived from property sales, leases and mortgage brokerage as well as revenues associated with investment management and/or development activities. In addition, these conditions could lead to a decline in property sales prices as well as a decline in funds invested in existing commercial real estate assets and properties planned for development.

Future disruptions in the financial markets or deteriorating economic conditions may also impact the market for our investments and the volatility of our investments. The returns available to investors in our targeted investments are determined, in part, by: (i) the supply and demand for such investments and (ii) the existence of a market for such investments, which includes the ability to sell or finance such investments. During periods of volatility, the number of investors participating in the market may change at an accelerated pace. If either demand or liquidity increases, the cost of our targeted investments may increase. As a result, we may have fewer funds available to make distributions to investors.

During an economic downturn, it may also take longer for us to dispose of real estate investments or the selling prices may be lower than originally anticipated. As a result, the carrying value of our real estate investments may become impaired and we could record losses as a result of such impairment or we could experience reduced profitability related to declines in real estate values. Further, as a result of our target leverage, our exposure to adverse general economic conditions is heightened.

These negative general economic conditions could reduce the overall amount of sale and leasing activity in the commercial real estate industry, and hence the demand for our services. We are unable to predict the likely duration and severity of disruptions in financial markets and adverse economic conditions in the United States and other countries. Our revenues and profitability depend on the overall demand for our services from our clients. While it is possible that the increase in the number of distressed sales and resulting decrease in asset prices will eventually translate to greater market activity, an overall reduction in sales transaction volume could materially and adversely impact our business.

All of the factors described above could adversely impact our ability to implement our business strategy and make distributions to our investors and could decrease the value of an investment in us. In addition, in an extreme deterioration of our business, we could have insufficient liquidity to meet our debt service obligations when they come due in future years. If we fail to meet our payment or other obligations under our credit agreement, the lenders under the agreement will be entitled to proceed against the collateral granted to them to secure the debt owed.

We may suffer from delays in locating suitable investments in Opportunity Zones, which could limit our ability to make distributions and lower the overall return on your investment.

We rely upon our Manager's real estate professionals, including Mr. Benjamin S. Miller, its Co-Founder and Chief Executive Officer, to identify suitable investments. Our sponsor and other Fundrise entities also rely on Mr. Miller for investment opportunities. To the extent that our Manager's real estate and professionals face competing demands upon their time in instances when we have capital ready for investment, we may face delays in execution.

Additionally, the current market for properties that meet our investment objectives is highly competitive, as is the leasing market for such properties. The more units we sell in this offering, the greater our challenge will be to invest all of the net offering proceeds on attractive terms. Except for investments that may be described in supplements to this PPM prior to the date you subscribe for our units, you will have no opportunity to evaluate the terms of transactions or other economic or financial data concerning our investments. You must rely entirely on the oversight and management ability of our Manager and the performance of any property manager. We cannot be sure that our Manager will be successful in obtaining suitable investments on financially attractive terms.

We could also suffer from delays in locating suitable investments as a result of the more limited scope of our intended investments in Opportunity Zones and our reliance on our Manager at times when its officers, employees, or agents are simultaneously seeking to locate suitable investments for other Fundrise sponsored programs. Furthermore, where we acquire properties prior to the start of construction or during the early stages of construction, it will typically take several months to complete construction and rent available space. Therefore, you could suffer delays in the receipt of distributions attributable to those particular properties.

Although we have identified one property as of the date of this PPM that our Operating Partnership intends to purchase, we have not identified any other investments to acquire with the net proceeds of this offering. You will not have the opportunity to evaluate our future investments before we make them, which makes your investment more speculative.

Because we have only identified one asset as of the date of this PPM that our Operating Partnership intends to purchase, we are not able to provide you with any additional information to assist you in evaluating the merits of any other specific investment that we may make in the future, except for investments that may be described in supplements to this PPM. We will seek to invest substantially all of the offering proceeds available for investment, after the payment of fees and expenses, in commercial real estate equity investments, with a focus on multifamily rental units and office buildings located in Opportunity Zones. However, because you will be unable to evaluate the economic merit of most of our assets before we invest in them, you will have to rely entirely on the ability of our Manager to select suitable and successful investment opportunities. These factors increase the risk that your investment may not generate returns comparable to our competitors.

You may be more likely to sustain a loss on your investment because our sponsor does not have as strong an economic incentive to avoid losses as do sponsors who have made significant equity investments in their companies.

Each of our Manager and our General Partner has committed to purchase 400 of our common units, and 100 of our common units, respectively at \$10.00 per common unit, for net proceeds to us of \$5,000. Our sponsor, as the sole member of each of our Manager and our General Partner, will beneficially own 500 of our common units. Therefore, if we are successful in raising enough proceeds to be able to reimburse our sponsor for our organization and offering expenses, our sponsor will have limited exposure to loss in the value of our units. Without this exposure, our investors may be at a greater risk of loss because our sponsor does not have as much to lose from a decrease in the value of our units as do those sponsors who make more significant equity investments in their companies.

Any adverse changes in our sponsor's financial health or our relationship with our sponsor or its affiliates could hinder our operating performance and the return on your investment.

We have engaged our Manager to make all investment decisions with respect to our portfolio of commercial real estate equity investments and other select real estate-related assets located in Opportunity Zones. Our Manager has no employees, and utilizes our sponsor's personnel to perform services on its behalf for us. Our ability to achieve our investment objectives and to pay distributions is dependent upon the performance of our sponsor and its affiliates as well as our sponsor's real estate professionals in the identification and acquisition or origination of investments, the management of our assets and operation of our day-to-day activities. Any adverse changes in our sponsor's financial condition or our relationship with our sponsor could hinder our Manager's ability to successfully make investment decisions and manage our portfolio of investments.

Our ability to implement our investment strategy is dependent, in part, upon our ability to successfully conduct this offering through the Fundrise Platform, which makes an investment in us more speculative.

We will conduct this offering primarily through the Fundrise Platform, which is owned by Fundrise, LLC. Only a limited number of real estate investment opportunities have been offered through the Fundrise Platform prior to this offering. Our sponsor has sponsored other real estate investment opportunities under other formats prior to this offering, but this is the initial Opportunity Fund offering being offered through the Fundrise Platform. The success of this offering, and our ability to implement our business strategy, is dependent upon our ability to sell our units to investors through the Fundrise Platform. If we are not successful in selling our units through the Fundrise Platform, our ability to raise proceeds through this offering will be limited and we may not have adequate capital to implement our investment strategy. If we are unsuccessful in implementing our investment strategy, you could lose all or a part of your investment.

If we do not successfully implement a liquidity transaction, you may have to hold your investment for an indefinite period.

Although we presently intend to complete a transaction providing liquidity to unitholders after approximately ten to twelve years from the closing of the offering, our limited partnership agreement does not require our Manager to pursue such a liquidity transaction. Market conditions and other factors could cause us to delay the listing of our units on a national securities exchange or delay the commencement of a liquidation or other type of liquidity transaction, such as a merger or sale of assets, beyond ten to twelve years of the closing of the offering. If our Manager does determine to pursue a liquidity transaction, we would be under no obligation to conclude the process within a set time. If we adopt a plan of liquidation, the timing of the sale of assets will depend on real estate and financial markets, economic conditions in areas in which properties are located, and the U.S. federal income tax effects on unitholders, that may prevail in the future. We cannot guarantee that we will be able to liquidate all assets. After we adopt a plan of liquidation, we would likely remain in existence until all our investments are liquidated. If we do not pursue a liquidity transaction, or delay such a transaction due to market conditions, your units may continue to be illiquid and you may, for an indefinite period of time, be unable to convert your investment to cash easily and could suffer losses on your investment.

Our General Partner may change our corporate structure and our General Partner and Manager may change our investment guidelines without unitholder consent in order to maintain our status as an Opportunity Fund.

While we were formed as a Delaware limited partnership, will initially elect to be treated as a taxable corporation, intend to elect to be taxed as a REIT and intend to invest primarily in assets located in Opportunity Zones, there can be no assurance that our General Partner and Manager, as applicable, will maintain our corporate structure and investment guidelines in the future. There is a significant risk that our General Partner and Manager, as applicable, may be required to change our corporate structure (including to be taxed as a corporation instead of as a REIT) or our investment guidelines without the consent of investors in order to maintain our status as an Opportunity Fund. Even then, there can be no assurance that we will qualify or maintain our status as an Opportunity Fund in the future.

We have minimal operating capital, no significant assets and no revenue from operations.

We have minimal operating capital and for the foreseeable future will be dependent upon our ability to finance our operations from the sale of equity or other financing alternatives. There can be no assurance that we will be able to successfully raise operating capital. The failure to successfully raise operating capital, and the failure to attract qualified real estate companies and sufficient investor purchase commitments, could result in our bankruptcy or other event which would have a material adverse effect on us and our unitholders. We have no significant assets or financial resources, so such adverse event could put your investment dollars at significant risk.

The market in which we participate is competitive and, if we do not compete effectively, our operating results could be harmed.

We compete with many other entities engaged in real estate investment activities, including individuals, corporations, bank and insurance company investment accounts, REITs, private real estate funds, and other entities engaged in real estate investment activities as well as online real estate platforms that compete with the Fundrise Platform. This market is competitive and rapidly changing. We expect competition to persist and intensify in the future, which could harm our ability to increase volume on the Fundrise Platform.

Competition could result in reduced volumes, reduced fees or the failure of the Fundrise Platform to achieve or maintain more widespread market acceptance, any of which could harm our business. In addition, in the future we and the Fundrise Platform may experience new competition from more established internet companies possessing large, existing customer bases, substantial financial resources and established distribution channels. If any of these companies or any major financial institution decided to enter the online investment business, acquire one of our existing competitors or form a strategic alliance with one of our competitors, our ability to compete effectively could be significantly compromised and our operating results could be harmed.

Most of our current or potential competitors have significantly more financial, technical, marketing and other resources than we do and may be able to devote greater resources to the development, promotion, sale and support

of their platforms and distribution channels. Larger real estate programs may enjoy significant competitive advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies. In addition, the number of entities and the amount of funds competing for suitable properties may increase. Any such increase would result in increased demand for these assets and therefore increased prices paid for them. If we pay higher prices for properties and other investments, our profitability will be reduced and you may experience a lower return on your investment.

Our potential competitors may also have longer operating histories, more extensive customer bases, greater brand recognition and broader customer relationships than we have. These competitors may be better able to develop new products, to respond quickly to new technologies and to undertake more extensive marketing campaigns. The online real estate investing industry is driven by constant innovation. If we or the Fundrise Platform are unable to compete with such companies and meet the need for innovation, the demand for the Fundrise Platform could stagnate or substantially decline.

We rely on third-party banks and on third-party computer hardware and software. If we are unable to continue utilizing these services, our business and ability to service the corresponding project loans and equity investments may be adversely affected.

We and the Fundrise Platform rely on third-party and FDIC-insured depository institutions to process our transactions, including payments of corresponding loans and equity investments, processing of subscriptions under this offering and distributions to our unitholders. Under the Automated Clearing House (ACH) rules, if we experience a high rate of reversed transactions (known as “chargebacks”), we may be subject to sanctions and potentially disqualified from using the system to process payments. The Fundrise Platform also relies on computer hardware purchased and software licensed from third parties. This purchased or licensed hardware and software may be physically located off-site, as is often the case with “cloud services.” This purchased or licensed hardware and software may not continue to be available on commercially reasonable terms, or at all. If the Fundrise Platform cannot continue to obtain such services elsewhere, or if it cannot transition to another processor quickly, our ability to process payments will suffer and your ability to receive distributions will be delayed or impaired.

If our Manager fails to retain its key personnel, we may not be able to achieve our anticipated level of growth and our business could suffer.

Our future depends, in part, on our Manager’s ability to attract and retain key personnel. Our future also depends on the continued contributions of the executive officers and other key personnel of our Manager, each of whom would be difficult to replace. In particular, the Founder/Chief Executive Officer Benjamin S. Miller of our parent company and sponsor, Rise Companies Corp., who is the Chief Executive Officer of our Manager, is critical to the management of our business and operations and the development of our strategic direction. The loss of the services of Mr. Benjamin S. Miller or other executive officers or key personnel of our Manager and the process to replace any of our Manager’s key personnel would involve significant time and expense and may significantly delay or prevent the achievement of our business objectives.

Employee misconduct and unsubstantiated allegations against us and misconduct by employees of our sponsor could expose us to significant reputational harm.

We are vulnerable to reputational harm, as we operate in an industry where integrity and the confidence of our investors is of critical importance. If an employee of our sponsor or its affiliates were to engage in illegal or suspicious activities, or if unsubstantiated allegations are made against us or our sponsor by such employees, stockholders or others, our sponsor and we may suffer serious harm to our reputation (as a consequence of the negative perception resulting from such activities or allegations), financial position, relationships with key persons and companies in the real estate market, and our ability to attract new investors. Our business often requires that we deal with confidential information. If employees of our sponsor were to improperly use or disclose this information, we could suffer serious harm to our reputation, financial position and current and future business relationships.

It is not always possible to deter employee misconduct, and the precautions our sponsor takes to detect and prevent this activity may not be effective in all cases. Misconduct by our sponsor’s employees, or even unsubstantiated allegations of misconduct, could subject our sponsor and us to regulatory sanctions and result in an

adverse effect on our reputation and our business. See “Management—Recent Developments Regarding our Sponsor’s Executive Officers.”

If our techniques for managing risk are ineffective, we may be exposed to unanticipated losses.

In order to manage the significant risks inherent in our business, we must maintain effective policies, procedures and systems that enable us to identify, monitor and control our exposure to market, operational, legal and reputational risks. Our risk management methods may prove to be ineffective due to their design or implementation or as a result of the lack of adequate, accurate or timely information. If our risk management efforts are ineffective, we could suffer losses or face litigation, particularly from our clients, and sanctions or fines from regulators.

Our techniques for managing risks may not fully mitigate the risk exposure in all economic or market environments, or against all types of risk, including risks that we might fail to identify or anticipate. Any failures in our risk management techniques and strategies to accurately quantify such risk exposure could limit our ability to manage risks or to seek positive, risk-adjusted returns. In addition, any risk management failures could cause fund losses to be significantly greater than historical measures predict. Our more qualitative approach to managing those risks could prove insufficient, exposing us to unanticipated losses in our net asset value and therefore a reduction in our revenues.

Risks Related to our Sponsor and the Fundrise Platform

Our sponsor is a development stage company with limited operating history and no profits to date. As a company in the early stages of development, our sponsor faces increased risks, uncertainties, expenses and difficulties.

Our sponsor has a limited operating history. In order for us to be successful, the volume of investments originated through the Fundrise Platform will need to increase, which will require our sponsor to increase its facilities, personnel and infrastructure to accommodate the greater obligations and demands on the Fundrise Platform. The Fundrise Platform is dependent upon the website to maintain current listings and transactions in real estate-related assets. Our sponsor also expects to constantly update its software and website, expand its customer support services and retain an appropriate number of employees to maintain the operations of the Fundrise Platform. If our business grows substantially, our sponsor may need to make significant new investments in personnel and infrastructure to support that growth. If our sponsor is unable to increase the capacity of the Fundrise Platform and maintain the necessary infrastructure, or if our sponsor is unable to make significant investments on a timely basis or at reasonable costs, you may experience delays in receipt of distributions on our common units, periodic downtime of the Fundrise Platform or other disruptions to our business and operations.

Our sponsor will need to raise substantial additional capital to fund its operations, and if it fails to obtain additional funding, it may be unable to continue operations.

Prior to January 2017, our sponsor had funded substantially all of its operations with proceeds from private financings from individual investors. On January 31, 2017, our sponsor began an initial offering of units of its class B common stock to the public. As of December 31, 2017, our sponsor had raised approximately \$18.3 million through such equity offering. To continue the development of the Fundrise Platform, our sponsor will require substantial additional funds. To meet such financing requirements in the future, our sponsor may raise funds through equity offerings, debt financings or strategic alliances. Raising additional funds may involve agreements or covenants that restrict our sponsor’s business activities and options. Additional funding may not be available to it on favorable terms, or at all. If our sponsor is unable to obtain additional funds for the operation of the Fundrise Platform, it may be forced to reduce or terminate its operations, which may adversely affect our business and results of operations.

Our sponsor is currently incurring net losses and expects to continue incurring net losses in the future.

Our sponsor is currently incurring net losses and expects to continue incurring net losses in the future. Its failure to become profitable could impair the operations of the Fundrise Platform by limiting its access to working capital to operate the Fundrise Platform. In addition, our sponsor expects its operating expenses to increase in the future as it expands its operations. If our sponsor’s operating expenses exceed its expectations, its financial performance could

be adversely affected. If its revenue does not grow to offset these increased expenses, our sponsor may never become profitable. In future periods, our sponsor may not have any revenue growth, or its revenue could decline.

If our sponsor were to enter bankruptcy proceedings, the operation of the Fundrise Platform and the activities with respect to our operations and business would be interrupted and subscription proceeds held in a segregated account may be subject to the bankruptcy.

If our sponsor were to enter bankruptcy proceedings or cease operations, we would be required to find other ways to meet obligations regarding our operations and business. Such alternatives could result in delays in the disbursement of distributions or the filing of reports or could require us to pay significant fees to another company that we engage to perform services for us.

If the security of our investors' confidential information stored in our sponsor's systems is breached or otherwise subjected to unauthorized access, your secure information may be stolen.

The Fundrise Platform may store investors' bank information and other personally-identifiable sensitive data. The Fundrise Platform is hosted in data centers that are compliant with payment card industry security standards and the website uses daily security monitoring services provided by Symantec Corporation. However, any accidental or willful security breach or other unauthorized access could cause your secure information to be stolen and used for criminal purposes, and you would be subject to increased risk of fraud or identity theft. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, the Fundrise Platform and its third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, many states have enacted laws requiring companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause our investors and real estate companies to lose confidence in the effectiveness of our data security measures. Any security breach, whether actual or perceived, would harm our reputation, resulting in the potential loss of investors and adverse effect on the value of your investment in us.

Any significant disruption in service on the Fundrise Platform or in its computer systems could reduce the attractiveness of the Fundrise Platform and result in a loss of users.

If a catastrophic event resulted in a platform outage and physical data loss, the Fundrise Platform's ability to perform its functions would be adversely affected. The satisfactory performance, reliability, and availability of our sponsor's technology and its underlying hosting services infrastructure are critical to our sponsor's operations, level of customer service, reputation and ability to attract new users and retain existing users. Our sponsor's hosting services infrastructure is provided by a third party hosting provider (the "Hosting Provider"). Our sponsor also maintains a backup system at a separate location that is owned and operated by a third party. The Hosting Provider does not guarantee that users' access to the Fundrise Platform will be uninterrupted, error-free or secure. Our sponsor's operations depend on the Hosting Provider's ability to protect its and our sponsor's systems in its facilities against damage or interruption from natural disasters, power or telecommunications failures, air quality, temperature, humidity and other environmental concerns, computer viruses or other attempts to harm our systems, criminal acts and similar events. If our sponsor's arrangement with the Hosting Provider is terminated, or there is a lapse of service or damage to its facilities, our sponsor could experience interruptions in its service as well as delays and additional expense in arranging new facilities. Any interruptions or delays in our sponsor's service, whether as a result of an error by the Hosting Provider or other third-party error, our sponsor's own error, natural disasters or security breaches, whether accidental or willful, could harm our ability to perform any services for corresponding project investments or maintain accurate accounts, and could harm our sponsor's relationships with users of the Fundrise Platform and our sponsor's reputation. Additionally, in the event of damage or interruption, our sponsor's insurance policies may not adequately compensate our sponsor for any losses that we may incur. Our sponsor's disaster recovery plan has not been tested under actual disaster conditions, and it may not have sufficient capacity to recover all data and services in the event of an outage at a facility operated by the Hosting Provider. These factors could prevent us from processing or posting payments on the corresponding investments, damage our sponsor's brand and reputation, divert our sponsor's employees' attention, and cause users to abandon the Fundrise Platform.

We do not own the Fundrise name, but were granted a license by our sponsor to use the Fundrise name. Use of the name by other parties or the termination of our license agreement may harm our business.

We will enter into a license agreement with our sponsor effective upon the commencement of this offering, pursuant to which our sponsor will grant us a non-exclusive, royalty-free license to use the name “Fundrise.” Under this agreement, we will have a right to use the “Fundrise” name as long as our Manager continues to manage us. Our sponsor will retain the right to continue using the “Fundrise” name. Our sponsor is not precluded from licensing or transferring the ownership of the “Fundrise” name to third parties, some of whom may compete against us. Consequently, we will be unable to prevent any damage to the goodwill associated with our name that may occur as a result of the activities of our sponsor or others related to the use of our name. Furthermore, in the event the license agreement is terminated, we will be required to change our name and cease using the “Fundrise” name. Any of these events could disrupt our recognition in the market place, damage any goodwill we may have generated and otherwise harm our business.

Risks Related to Compliance and Regulation

Maintenance of our Investment Company Act exemption imposes limits on our operations, which may adversely affect our operations.

We intend to continue to conduct our operations so that neither we nor any of our subsidiaries is required to register as an investment company under the Investment Company Act. We anticipate that we will hold real estate and real estate-related assets described below (i) directly, (ii) through wholly-owned subsidiaries, (iii) through majority-owned joint venture subsidiaries, and, (iv) to a lesser extent, through minority-owned joint venture subsidiaries.

We intend, directly or through our subsidiaries, to originate, invest in and manage a diversified portfolio of commercial real estate investments. We expect to use substantially all of the net proceeds from this offering to originate, acquire and structure a diversified portfolio of commercial real estate properties.

In connection with the Section 3(a)(1)(C) analysis, the determination of whether an entity is a majority-owned subsidiary of the Fund is made by us. 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. The Investment Company Act further defines voting security as any security presently entitling the owner or holder thereof to vote for the election of directors of a company. We treat companies in which we own at least a majority of the outstanding voting securities as majority-owned subsidiaries. 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 all 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, our treatment of such interests as voting securities, or whether the Controlled Subsidiaries, or any other of our subsidiaries, may be treated in the manner in which we intend, 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.

Certain of our subsidiaries may rely on the exclusion provided by Section 3(c)(5)(C) under the Investment Company Act. Section 3(c)(5)(C) of the Investment Company Act is designed for entities “primarily engaged in the business of purchasing or otherwise acquiring mortgages and other liens on and interests in real estate.” This exclusion generally requires that at least 55% of the entity’s assets on an unconsolidated basis consist of qualifying real estate assets and at least 80% of the entity’s assets consist of qualifying real estate assets or real estate-related assets. These requirements limit the assets those subsidiaries can own and the timing of sales and purchases of those assets.

To classify the assets held by our subsidiaries as qualifying real estate assets or real estate-related assets, we will rely on no-action letters and other guidance published by the SEC staff regarding those kinds of assets, as well as upon our analyses (in consultation with outside counsel) of guidance published with respect to other types of assets. There can be no assurance that the laws and regulations governing the Investment Company Act status of

companies similar to ours, or the guidance from the SEC or its staff regarding the treatment of assets as qualifying real estate assets or real estate-related assets, will not change in a manner that adversely affects our operations. In fact, in August 2011, the SEC published a concept release in which it asked for comments on this exclusion from regulation. To the extent that the SEC staff provides more specific guidance regarding any of the matters bearing upon our exemption from the need to register or exclusion under the Investment Company Act, we may be required to adjust our strategy accordingly. Any additional guidance from the SEC staff could further inhibit our ability to pursue the strategies that we have chosen.

Furthermore, although we intend to monitor the assets of our subsidiaries regularly, there can be no assurance that our subsidiaries will be able to maintain their exclusion from registration. Any of the foregoing could require us to adjust our strategy, which could limit our ability to make certain investments or require us to sell assets in a manner, at a price or at a time that we otherwise would not have chosen. This could negatively affect the value of our common units, the sustainability of our business model and our ability to make distributions.

Registration under the Investment Company Act would require us to comply with a variety of substantive requirements that impose, among other things:

- limitations on capital structure;
- restrictions on specified investments;
- restrictions on leverage or senior securities;
- restrictions on unsecured borrowings;
- prohibitions on transactions with affiliates; and
- compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly increase our operating expenses.

If we were required to register as an investment company but failed to do so, we could be prohibited from engaging in our business, and criminal and civil actions could be brought against us.

Registration with the SEC as an investment company would be costly, would subject us to a host of complex regulations and would divert attention from the conduct of our business, which could materially and adversely affect us. In addition, if we purchase or sell any real estate assets to avoid becoming an investment company under the Investment Company Act, our net asset value, the amount of funds available for investment and our ability to pay distributions to our unitholders could be materially adversely affected.

We may be subject to registration under the Securities Exchange Act of 1934 if we have assets above \$10 million and more than 2,000 investors participate in this offering.

Companies with total assets above \$10 million and more than 2,000 holders of record of their equity securities, or 500 holders of record of their equity securities who are not accredited investors, must register that class of equity securities with the SEC under the Exchange Act. With the capital raised from this offering, we intend to surpass \$10 million in assets. Furthermore, there is a possibility that the Fund may have more than 2,000 holders of record of its equity securities following the offering. If these two conditions are met, then the Fund may have to register under the Securities Exchange Act of 1934, which will, among other requirements, obligate us to provide periodic reports to the SEC, which will add considerably to the costs of operating the Fund and could reduce our ability to make distributions at the same level we might otherwise have been able to do so without such registration.

We are not subject to the banking regulations of any state or federal regulatory agency.

We are not subject to the periodic examinations to which commercial banks and other thrift institutions are subject. Consequently, our financing decisions and our decisions regarding establishing loan loss reserves are not subject to periodic review by any governmental agency. Moreover, we are not subject to regulatory oversight relating to our capital, asset quality, management or compliance with laws.

Recent legislative and regulatory initiatives have imposed restrictions and requirements on financial institutions that could have an adverse effect on our business.

The financial industry is becoming more highly regulated. There has been, and may continue to be, a related increase in regulatory investigations of the trading and other investment activities of alternative investment funds. Such investigations may impose additional expenses on us, may require the attention of senior management of our Manager and may result in fines if we are deemed to have violated any regulations.

As Internet commerce develops, federal and state governments may adopt new laws to regulate Internet commerce, which may negatively affect our business.

As Internet commerce continues to evolve, increasing regulation by federal and state governments becomes more likely. Our and the Fundrise Platform's business could be negatively affected by the application of existing laws and regulations or the enactment of new laws applicable to our business. The cost to comply with such laws or regulations could be significant and would increase our operating expenses, which could negatively impact our ability to acquire commercial real estate equity investments and other real estate investments. In addition, federal and state governmental or regulatory agencies may decide to impose taxes on services provided over the Internet. These taxes could discourage the use of the Internet as a means of raising capital, which would adversely affect the viability of the Fundrise Platform.

Laws intended to prohibit money laundering may require Fundrise to disclose investor information to regulatory authorities.

The Uniting and Strengthening America By Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "PATRIOT Act") requires that financial institutions establish and maintain compliance programs to guard against money laundering activities, and requires the Treasury to prescribe regulations in connection with anti-money laundering policies of financial institutions. The Financial Crimes Enforcement Network ("FinCEN"), an agency of the Treasury, has announced that it is likely that such regulations would subject certain pooled investment vehicles to enact anti-money laundering policies. It is possible that there could be promulgated legislation or regulations that would require Fundrise or its service providers to share information with governmental authorities with respect to prospective investors in connection with the establishment of anti-money laundering procedures. Such legislation and/or regulations could require us to implement additional restrictions on the transfer of our common units to comply with such legislation and/or regulations. We reserve the right to request such information as is necessary to verify the identity of prospective unitholders and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs required by FinCEN and/or the SEC. In the event of delay or failure by a prospective unitholder to produce any information required for verification purposes, an application for, or transfer of, our common units may be refused. We will not have the ability to reject a transfer of our common units where all necessary information is provided and any other applicable transfer requirements, including those imposed under the transfer provisions of our limited partnership agreement, are satisfied.

Risks Related to Conflicts of Interest

There are conflicts of interest between us, our General Partner, our Manager and their affiliates.

Our Manager's executive officers, including our Manager's Chief Executive Officer, Benjamin S. Miller, are principals in the General Partner and Manager's parent company, Rise Companies Corp., which provides asset management and other services to our General Partner, our Manager and us. Prevailing market rates are determined by management based on industry standards and expectations of what our General Partner and our Manager would be able to negotiate with a third party on an arm's length basis. All of the agreements and arrangements between such parties, including those relating to compensation, are not the result of arm's length negotiations. Some of the conflicts inherent in the Fund's transactions with the General Partner, Manager and their affiliates, and the limitations on such parties adopted to address these conflicts, are described below. The Fund, the General Partner, the Manager and their affiliates will try to balance our interests with their own. However, to the extent that such parties take actions that are more favorable to other entities than us, these actions could have negative impact on our financial performance and, consequently, on distributions to unitholders and the value of our common units. We have adopted a conflicts of interest policy and certain conflicts will be reviewed by the Independent Representative

(defined below). See “Conflicts of Interest—Certain Conflict Resolution Measures—Independent Representative” and “—Our Policies Relating to Conflicts of Interest”.

Our Manager will face a conflict of interest because the investment management and tax and accounting management fees it will receive for services performed for us will be based on our NAV, which employees of our sponsor, the parent company of our Manager, are ultimately responsible for determining.

Our Manager, a wholly-owned subsidiary of our sponsor, will be paid investment management and tax and accounting management fees which after December 31, 2021 will be based on our NAV as calculated by our sponsor’s internal accountants and asset management team. The calculation of our NAV involves certain subjective judgments with respect to estimating, for example, the value of our commercial real estate assets and investments and accruals of our operating revenues and expenses, and therefore, our NAV may not correspond to the realizable value upon a sale of those assets. Because the calculation of NAV involves subjective judgment, there can be no assurance that the estimates used by our sponsor’s internal accountants and asset management team to calculate our NAV, or the resulting NAV, will be identical to the estimates that would be used, or the NAV that would be calculated, by an independent consultant. In addition, our Manager may benefit by us retaining ownership of our assets at times when our unitholders may be better served by the sale or disposition of our assets in order to avoid a reduction in our NAV. Finally, the determination of our NAV is not based on, nor intended to comply with, fair value standards under GAAP, and our NAV may not be indicative of the price that we would receive for our assets at current market conditions.

The interests of the General Partner, Manager and their affiliates may conflict with your interests.

Our limited partnership agreement and the Investment Management Agreement between us and our Manager provide our General Partner and our Manager, as applicable, with broad powers and authority which may result in one or more conflicts of interest between your interests and those of our General Partner, our Manager, their principals and their affiliates. This risk is increased by the Manager and our General Partner being controlled by Benjamin Miller, who is a principal in our sponsor and who participates, or expects to participate, directly or indirectly in other offerings by our sponsor and its affiliates. Potential conflicts of interest include, but are not limited to, the following:

- the General Partner, Manager, their principals and/or their other affiliates are offering, and may continue to originate and offer other real estate investment opportunities, including additional equity offerings similar to this offering, primarily through the Fundrise Platform, and may make investments in real estate assets for their own respective accounts, whether or not competitive with our business;
- the General Partner, Manager, their principals and/or their other affiliates will not be required to disgorge any profits or fees or other compensation they may receive from any other business they own separately from us, and you will not be entitled to receive or share in any of the profits return fees or compensation from any other business owned and operated by the Manager, our General Partner, their principals and/or their other affiliates for their own benefit;
- we may engage the General Partner, Manager, their principals, and/or their affiliates to perform services at prevailing market rates. Prevailing market rates are determined by the General Partner and Manager based on industry standards and expectations of what the General Partner and Manager would be able to negotiate with third party on an arm’s length basis; and
- the General Partner, Manager, their principals and/or their other affiliates are not required to devote all of their time and efforts to our affairs.

We have agreed to limit remedies available to us and our unitholders for actions by our General Partner and our Manager that might otherwise constitute a breach of duty.

Our General Partner and Manager maintains contractual, as opposed to fiduciary relationships, with us and our unitholders. Accordingly, we and our unitholders will only have recourse and be able to seek remedies against our General Partner and/or our Manager to the extent they breach their obligations pursuant to our limited partnership agreement or the Investment Management Agreement between us and our Manager, as applicable. Furthermore, we

have agreed to limit the liability of our General Partner and our Manager and to indemnify our General Partner and our Manager against certain liabilities. These provisions are detrimental to unitholders because they restrict the remedies available to them for actions that without those limitations might constitute breaches of duty, including fiduciary duties. By purchasing our common units, you will be treated as having consented to the provisions set forth in the limited partnership agreement. In addition, we may choose not to enforce, or to enforce less vigorously, our rights under the limited partnership agreement because of our desire to maintain our ongoing relationship with our General Partner and our Manager.

Risks Related to Our Investments

Our commercial real estate and real estate-related assets will be subject to the risks typically associated with real estate.

Our commercial real estate and real estate-related assets will be subject to the risks typically associated with real estate. The value of real estate may be adversely affected by a number of risks, including:

- natural disasters such as hurricanes, earthquakes and floods;
- acts of war or terrorism, including the consequences of terrorist attacks, such as those that occurred on September 11, 2001;
- adverse changes in national and local economic and real estate conditions;
- an oversupply of (or a reduction in demand for) space in the areas where particular properties are located and the attractiveness of particular properties to prospective tenants;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance therewith and the potential for liability under applicable laws;
- costs of remediation and liabilities associated with environmental conditions affecting properties; and
- the potential for uninsured or underinsured property losses.

The value of each property is affected significantly by its ability to generate cash flow and net income, which in turn depends on the amount of rental or other income that can be generated net of expenses required to be incurred with respect to the property. Many expenditures associated with properties (such as operating expenses and capital expenditures) cannot be reduced when there is a reduction in income from the properties.

These factors may have a material adverse effect on the value that we can realize from our assets.

The actual rents we receive for the properties in our portfolio may be less than estimated market rents, and we may experience a decline in realized rental rates from time to time, which could adversely affect our financial condition, results of operations and cash flow.

As a result of potential factors, including competitive pricing pressure in our markets, a general economic downturn and the desirability of our properties compared to other properties in our markets, we may be unable to realize our estimated market rents across the properties in our portfolio. In addition, depending on market rental rates at any given time as compared to expiring leases in our portfolio, from time to time rental rates for expiring leases may be higher than starting rental rates for new leases. If we are unable to obtain sufficient rental rates across our portfolio, then our ability to generate cash flow growth will be negatively impacted.

Properties that have significant vacancies could be difficult to sell, which could diminish the return on these properties.

A property may incur vacancies either by the expiration of tenant leases or the continued default of tenants under their leases. If vacancies continue for a long period of time, we may suffer reduced revenues resulting in less cash available for distribution to our unitholders. In addition, the resale value of the property could be diminished

because the market value of our properties will depend principally upon the value of the cash flow generated by the leases associated with that property. Such a reduction in the resale value of a property could also reduce the value of our unitholders' investment.

Further, a decline in general economic conditions in the markets in which our investments are located or in the U.S. generally could lead to an increase in tenant defaults, lower rental rates and less demand for commercial real estate space in those markets. As a result of these trends, we may be more inclined to provide leasing incentives to our tenants in order to compete in a more competitive leasing environment. Such trends may result in reduced revenue and lower resale value of properties, which may reduce your return.

We may enter into long-term leases with tenants in certain properties, which may not result in fair market rental rates over time.

We may enter into long-term leases with tenants of certain of our properties, or include renewal options that specify a maximum rate increase. These leases would provide for rent to increase over time; however, if we do not accurately judge the potential for increases in market rental rates, we may set the terms of these long-term leases at levels such that, even after contractual rent increases, the rent under our long-term leases is less than then-current market rates. Further, we may have no ability to terminate those leases or to adjust the rent to then-prevailing market rates. As a result, our cash available for distribution could be lower than if we did not enter into long-term leases.

Certain property types or portfolios of such properties that we acquire may not have efficient alternative uses and we may have difficulty leasing them to new tenants and/or have to make significant capital expenditures to them to do so.

Certain property types, such as industrial properties, can be difficult to lease to new tenants, should the current tenant terminate or choose not to renew its lease. These properties generally have received significant tenant-specific improvements and only very specific tenants may be able to use such improvements, making the properties very difficult to re-lease in their current condition. Additionally, an interested tenant may demand that, as a condition of executing a lease for the property, we finance and construct significant improvements so that the tenant could use the property. This expense may decrease cash available for distribution, as we likely would have to (i) pay for the improvements up-front or (ii) finance the improvements at potentially unattractive terms.

Any retail tenants we may have will face competition from numerous retail channels and retail tenants may be disproportionately affected by current economic conditions. These events could reduce our profitability at any retail properties we acquire and affect our ability to pay distributions.

Retailers face continued competition from discount or value retailers, factory outlet centers, wholesale clubs, mail order catalogues and operators and television shopping networks. In addition, improvements in technology and faster delivery speeds have spurred the increased popularity of shopping via the Internet. As a result, the "brick and mortar" retail industry is facing lower demand, reductions in sales revenues and increased bankruptcies throughout the United States. Such conditions could adversely affect any retail tenants we may have and, consequently, our funds available for distribution.

We depend on tenants for our revenue, and lease defaults or terminations could reduce our net income and limit our ability to make distributions to our unitholders.

The success of our investments materially depends on the financial stability of our tenants. A default or termination by a tenant on its lease payments to us would cause us to lose the revenue associated with such lease and require us to find an alternative source of revenue to meet mortgage payments and prevent a foreclosure, if the property is subject to a mortgage. In the event of a tenant default or bankruptcy, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment and re-leasing our property. If a tenant defaults on or terminates a lease, we may be unable to lease the property for the rent previously received or sell the property without incurring a loss. These events could cause us to reduce the amount of distributions to you.

To the extent we acquire retail properties, our revenue will be significantly impacted by the success and economic viability of our retail anchor tenants. Our reliance on a single tenant or significant tenants in certain buildings may decrease our ability to lease vacated space and adversely affect the returns on our unitholders' investment.

In the retail sector, a tenant occupying all or a large portion of the gross leasable area of a retail center, commonly referred to as an anchor tenant, may become insolvent, may suffer a downturn in business and default on or terminate its lease, or may decide not to renew its lease. Any of these events would result in a reduction or cessation in rental payments to us from that tenant and would adversely affect our financial condition. A lease termination by an anchor tenant could result in lease terminations or reductions in rent by other tenants whose leases may permit cancellation or rent reduction if an anchor tenant's lease is terminated. In such event, we may be unable to re-lease the vacated space. Similarly, the leases of some anchor tenants may permit the anchor tenant to transfer its lease to another retailer. The transfer to a new anchor tenant could cause customer traffic in the retail center to decrease and thereby reduce the income generated by that retail center. A lease transfer to a new anchor tenant could also allow other tenants, under the terms of their respective leases, to make reduced rental payments or to terminate their leases. In the event that we are unable to re-lease the vacated space to a new anchor tenant, we may incur additional expenses in order to renovate and subdivide the space to be able to re-lease the space to more than one tenant.

Our investment criteria limits the concentration of our investments in commercial real estate to Opportunity Zones.

Our investments in commercial real estate will be located in Opportunity Zones. These investments may carry the risks associated with the concentration of real property in economically depressed areas. We have not established and do not plan to establish any investment criteria to limit our exposure to these risks for future investments. As a result, our investments will be almost exclusively concentrated in Opportunity Zones, and we may experience losses as a result of such concentration. A worsening of economic conditions in Opportunity Zones in which our investments will be concentrated could have an adverse effect on our business, including reducing the demand for new financings, limiting the ability of customers to pay financed amounts and impairing the value of our collateral.

Potential development and construction delays and resultant increased costs and risks may hinder our operating results and decrease our net income.

Because we intend to "substantially improve" properties we acquire in order for them to qualify as assets that satisfy the requirements for us to be treated as an Opportunity Fund, we may acquire unimproved real property or properties that are under development or construction. Investments in such properties will be subject to the uncertainties associated with the development and construction of real property, including those related to re-zoning land for development, environmental concerns of governmental entities and/or community groups and our builders' ability to build in conformity with plans, specifications, budgeted costs and timetables. If a builder fails to perform, we may resort to legal action to rescind the purchase or the construction contract or to compel performance. A builder's performance may also be affected or delayed by conditions beyond the builder's control. Delays in completing construction could also give tenants the right to terminate preconstruction leases. We may incur additional risks when we make periodic progress payments or other advances to builders before they complete construction. These and other factors can result in increased costs of a project or loss of our investment. In addition, we will be subject to normal lease-up risks relating to newly constructed projects. We also must rely on rental income and expense projections and estimates of the fair market value of property upon completion of construction when agreeing upon a purchase price at the time we acquire the property. If our projections are inaccurate, we may pay too much for a property, and the return on our investment could suffer. In addition, to the extent we make or acquire loans to finance construction or renovation projects, risks of cost overruns and non-completion of the construction or renovation of the properties underlying loans we make or acquire may materially adversely affect our investment.

Actions of any joint venture partners that we may have in the future could reduce the returns on joint venture investments and decrease our unitholders' overall return.

We may enter into joint ventures to acquire properties and other assets. We may also purchase and develop properties in joint ventures or in partnerships, co-tenancies or other co-ownership arrangements. Such investments

may involve risks not otherwise present with other methods of investment, including, for example, the following risks:

- that our co-venturer, co-tenant or partner in an investment could become insolvent or bankrupt;
- that such co-venturer, co-tenant or partner may at any time have economic or business interests or goals that are or that become inconsistent with our business interests or goals;
- that such co-venturer, co-tenant or partner may be in a position to take action contrary to our instructions or requests or contrary to our policies or objectives; or
- that disputes between us and our co-venturer, co-tenant or partner may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our operations.

Any of the above might subject a property to liabilities in excess of those contemplated and thus reduce our returns on that investment and the value of your investment.

We have identified a property located in Washington, D.C. that we intend to purchase, and adverse economic or regulatory developments in this area could negatively affect our results of operations, financial condition and ability to make distributions to our unitholders.

We have identified a property located in Washington, D.C. that we intend to acquire. If we acquire the property, our business will be dependent on the condition of the economy in this city, which may expose us to greater economic risks than if we owned a more geographically diverse portfolio. We are susceptible to adverse developments in the Washington, D.C. economic and regulatory environments (such as business layoffs or downsizing, industry slowdowns, relocations of businesses, social unrest, increases in real estate and other taxes, costs of complying with governmental regulations or increased regulation). Such adverse developments could materially reduce the value of our real estate portfolio and our rental revenues, and thus adversely affect our ability to service current debt and to pay dividends to unitholders.

Costs imposed pursuant to governmental laws and regulations may reduce our net income and the cash available for distributions to our unitholders.

Real property and the operations conducted on real property are subject to federal, state and local laws and regulations relating to protection of the environment and human health. We could be subject to liability in the form of fines, penalties or damages for noncompliance with these laws and regulations. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials, the remediation of contamination associated with the release or disposal of solid and hazardous materials, the presence of toxic building materials and other health and safety-related concerns.

Some of these laws and regulations may impose joint and several liability on the tenants, owners or operators of real property for the costs to investigate or remediate contaminated properties, regardless of fault, whether the contamination occurred prior to purchase, or whether the acts causing the contamination were legal. Activities of our tenants, the condition of properties at the time we buy them, operations in the vicinity of our properties, such as the presence of underground storage tanks, or activities of unrelated third parties may affect our properties.

The presence of hazardous substances, or the failure to properly manage or remediate these substances, may hinder our ability to sell, rent or pledge such property as collateral for future borrowings. Any material expenditures, fines, penalties or damages we must pay will reduce our ability to make distributions and may reduce the value of your investment.

The costs of defending against claims of environmental liability, of complying with environmental regulatory requirements, of remediating any contaminated property or of paying personal injury or other damage claims could reduce the amounts available for distribution to our unitholders.

Under various federal, state and local environmental laws, ordinances and regulations, a current or previous real property owner or operator may be liable for the cost of removing or remediating hazardous or toxic substances on, under or in such property. These costs could be substantial. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. Environmental laws also may impose liens on property or restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures or prevent us from entering into leases with prospective tenants that may be impacted by such laws. Environmental laws provide for sanctions for noncompliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for the release of and exposure to hazardous substances, including asbestos-containing materials and lead-based paint. Third parties may seek recovery from real property owners or operators for personal injury or property damage associated with exposure to released hazardous substances and governments may seek recovery for natural resource damage. The costs of defending against claims of environmental liability, of complying with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury, property damage or natural resource damage claims could reduce the amounts available for distribution to you.

We expect that all of our properties will be subject to Phase I environmental assessments at the time they are acquired; however, such assessments may not provide complete environmental histories due, for example, to limited available information about prior operations at the properties or other gaps in information at the time we acquire the property. A Phase I environmental assessment is an initial environmental investigation to identify potential environmental liabilities associated with the current and past uses of a given property. If any of our properties were found to contain hazardous or toxic substances after our acquisition, the value of our investment could decrease below the amount paid for such investment. In addition, real estate-related investments in which we invest may be secured by properties with recognized environmental conditions. Where we are secured creditors, we will attempt to acquire contractual agreements, including environmental indemnities, that protect us from losses arising out of environmental problems in the event the property is transferred by foreclosure or bankruptcy; however, no assurances can be given that such indemnities would fully protect us from responsibility for costs associated with addressing any environmental problems related to such properties.

Costs associated with complying with the Americans with Disabilities Act may decrease cash available for distributions.

Our properties may be subject to the Americans with Disabilities Act of 1990, as amended, or the ADA. Under the ADA, all places of public accommodation are required to comply with federal requirements related to access and use by disabled persons. The ADA has separate compliance requirements for “public accommodations” and “commercial facilities” that generally require that buildings and services be made accessible and available to people with disabilities. The ADA’s requirements could require removal of access barriers and could result in the imposition of injunctive relief, monetary penalties or, in some cases, an award of damages. Any funds used for ADA compliance will reduce our net income and the amount of cash available for distributions to you.

Uninsured losses relating to real property or excessively expensive premiums for insurance coverage could reduce our cash flows and the return on our unitholders’ investment.

There are types of losses, generally catastrophic in nature, such as losses due to wars, acts of terrorism, earthquakes, floods, hurricanes, pollution or environmental matters, that are uninsurable or not economically insurable, or may be insured subject to limitations, such as large deductibles or co-payments. Insurance risks associated with potential acts of terrorism could sharply increase the premiums we pay for coverage against property and casualty claims. Additionally, mortgage lenders in some cases insist that commercial property owners purchase coverage against terrorism as a condition for providing mortgage loans. Such insurance policies may not be available at reasonable costs, if at all, which could inhibit our ability to finance or refinance our properties. In such instances, we may be required to provide other financial support, either through financial assurances or self-insurance, to cover potential losses. We may not have adequate coverage for such losses. If any of our properties

incurs a casualty loss that is not fully insured, the value of our assets will be reduced by any such uninsured loss, which may reduce the value of your investment. In addition, other than any working capital reserve or other reserves we may establish, we have no source of funding to repair or reconstruct any uninsured property. Also, to the extent we must pay unexpectedly large amounts for insurance, we could suffer reduced earnings that would result in lower distributions to you.

In addition, insurance may not cover all potential losses on properties underlying mortgage loans that we may originate or acquire, which may impair our security and harm the value of our assets. We will require that each of the borrowers under our mortgage loan investments obtain comprehensive insurance covering the mortgaged property, including liability, fire and extended coverage. However, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods and hurricanes that may be uninsurable or not economically insurable. We may not require borrowers to obtain terrorism insurance if it is deemed commercially unreasonable. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace a property if it is damaged or destroyed. Under such circumstances, the insurance proceeds, if any, might not be adequate to restore the economic value of the mortgaged property, which might impair our security and decrease the value of the property.

Majority-owned subsidiaries we may invest in will be subject to specific risks relating to the particular subsidiary.

We may also invest in majority-owned subsidiaries owning real estate where we are entitled to receive a preferred economic return. Such investments may be subordinate to debt financing. These investments will involve special risks relating to the particular subsidiary, including the financial condition and business outlook of the subsidiary. To the extent these investments are subordinate to debt financing, they will also be subject to risks of (i) limited liquidity in the secondary trading market, (ii) substantial market price volatility resulting from changes in prevailing interest rates, (iii) subordination to the prior claims of banks and other senior lenders to the issuer, (iv) the operation of mandatory sinking fund or call or redemption provisions during periods of declining interest rates that could cause the subsidiary to reinvest any redemption proceeds in lower yielding assets, (v) the possibility that earnings of the subsidiary may be insufficient to meet any distribution obligations and (vi) the declining creditworthiness and potential for insolvency of the subsidiary during periods of rising interest rates and economic downturn. As a result, we may not recover some or all of our capital, which could result in losses.

Hedging against interest rate exposure may adversely affect our earnings, limit our gains or result in losses, which could adversely affect cash available for distribution to our unitholders.

We may enter into interest rate swap agreements or pursue other interest rate hedging strategies. Our hedging activity, if any, will vary in scope based on the level of interest rates, the type of portfolio investments held, and other changing market conditions. Interest rate hedging may fail to protect or could adversely affect us because, among other things:

- interest rate hedging can be expensive, particularly during periods of rising and volatile interest rates;
- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability or asset;
- our hedging opportunities may be limited by the treatment of income from hedging transactions under the rules determining REIT qualification;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs our ability to sell or assign our side of the hedging transaction;
- the party owing money in the hedging transaction may default on its obligation to pay; and
- we may purchase a hedge that turns out not to be necessary, i.e., a hedge that is out of the money.

Any hedging activity we engage in may adversely affect our earnings, which could adversely affect cash available for distribution to our unitholders. Therefore, while we may enter into such transactions to seek to reduce interest rate risks, unanticipated changes in interest rates may result in poorer overall investment performance than if we had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged or liabilities being hedged may vary materially. Moreover, for a variety of reasons, we may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss.

Many of our investments are illiquid and we may not be able to vary our portfolio in response to changes in economic and other conditions.

Many factors that are beyond our control affect the real estate market and could affect our ability to sell properties and other 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 property 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. As a result, we expect many of our investments will be illiquid, and if we are required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we have previously recorded our investments and our ability to vary our portfolio in response to changes in economic and other conditions may be relatively limited, which could adversely affect our results of operations and financial condition.

Declines in the market values of our investments may adversely affect periodic reported results of operations and credit availability, which may reduce earnings and, in turn, cash available for distribution to our unitholders.

Some of our assets may be classified for accounting purposes as “available-for-sale.” These investments are carried at estimated fair value and temporary changes in the market values of those assets will be directly charged or credited to unitholders’ equity without impacting net income on the income statement. Moreover, if we determine that a decline in the estimated fair value of an available-for-sale security falls below its amortized value and is not temporary, we will recognize a loss on that security on the income statement, which will reduce our earnings in the period recognized.

A decline in the market value of our assets may adversely affect us particularly in instances where we have borrowed money based on the market value of those assets. If the market value of those assets declines, the lender may require us to post additional collateral to support the loan. If we were unable to post the additional collateral, we may have to sell assets at a time when we might not otherwise choose to do so. A reduction in credit available may reduce our earnings and, in turn, cash available for distribution to unitholders.

Further, credit facility providers may require us to maintain a certain amount of cash reserves or to set aside unlevered assets sufficient to maintain a specified liquidity position, which would allow us to satisfy our collateral obligations. As a result, we may not be able to leverage our assets as fully as we would choose, which could reduce our return on equity. In the event that we are unable to meet these contractual obligations, our financial condition could deteriorate rapidly.

Market values of our investments may decline for a number of reasons, such as changes in prevailing market rates, increases in defaults, increases in voluntary prepayments for those investments that we have that are subject to prepayment risk, widening of credit spreads and downgrades of ratings of the securities by ratings agencies.

Some of our portfolio investments will be carried at estimated fair value as determined by us and, as a result, there may be uncertainty as to the value of these investments.

Some of our portfolio investments will be in the form of securities that are recorded at fair value but that have limited liquidity or are not publicly traded. The fair value of securities and other investments that have limited liquidity or are not publicly traded may not be readily determinable. We estimate the fair value of these investments on a semi-annual basis. Because such valuations are inherently uncertain, may fluctuate over short periods of time

and may be based on numerous estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. The value of our common units could be adversely affected if our determinations regarding the fair value of these investments are materially higher than the values that we ultimately realize upon their disposal.

Competition with third parties in acquiring properties and other investments may reduce our profitability and the return on your investment.

We have significant competition with respect to our acquisition of properties and other investments with many other companies, including REITs, insurance companies, commercial banks, private investment funds, hedge funds, specialty finance companies, online investment platforms and other investors, many of which have greater resources than us. We may not be able to compete successfully for investments. In addition, the number of entities and the amount of funds competing for suitable investments may increase. If we acquire properties and other investments at higher prices than our competitors and/or by using less-than-ideal capital structures, our returns will be lower and the value of our assets may not increase or may decrease significantly below the amount we paid for such assets. If such events occur, you may experience a lower return on your investment.

A prolonged economic slowdown, a lengthy or severe recession or declining real estate values could harm our operations.

Many of our investments may be susceptible to economic slowdowns or recessions, which could lead to financial losses in our investments and a decrease in revenues, net income and assets. An economic slowdown or recession, in addition to other non-economic factors such as an excess supply of properties, could have a material negative impact on the values of both commercial real estate and residential real estate properties.

If we sell a property by providing financing to the purchaser, we will bear the risk of default by the purchaser, which could delay or reduce the distributions available to our unitholders.

If we decide to sell any of our properties, we intend to use our best efforts to sell them for cash; however, in some instances, we may sell our properties by providing financing to purchasers. When we provide financing to a purchaser, we will bear the risk that the purchaser may default, which could reduce our cash distributions to unitholders. Even in the absence of a purchaser default, the distribution of the proceeds of the sale to our unitholders, or the reinvestment of the proceeds in other assets, will be delayed until the promissory note or other property we may accept upon a sale are actually paid, sold, refinanced or otherwise disposed.

If we overestimate the value or income-producing ability or incorrectly price the risks of our investments, we may experience losses.

Analysis of the value or income-producing ability of a commercial property is highly subjective and may be subject to error. Our Manager will value our potential investments based on yields and risks, taking into account estimated future losses on select commercial real estate equity investments, and the estimated impact of these losses on expected future cash flows and returns. In the event that we underestimate the risks relative to the price we pay for a particular investment, we may experience losses with respect to such investment.

We are exposed to environmental liabilities with respect to properties to which we take title.

In the course of our business, we may take title to real estate, and, if we do take title, we could be subject to environmental liabilities with respect to these properties. In such a circumstance, we may be held liable to a governmental entity or to third parties for property damage, personal injury, and investigation and clean-up costs incurred by these parties in connection with environmental contamination, or may be required to investigate or clean up hazardous or toxic substances, or chemical releases, at a property. The costs associated with investigation or remediation activities could be substantial. If we ever become subject to significant environmental liabilities, our business, financial condition, liquidity and results of operations could be materially and adversely affected.

Risks Relating to Economic Conditions

Economic recessions or downturns may have an adverse effect on our business, financial condition and results of operations.

Economic recessions or downturns may result in a prolonged period of market illiquidity, which could have an adverse effect on our business, financial condition and results of operations. Unfavorable economic conditions also could reduce investments on the Fundrise Platform by investors and engagement by real estate operators. Periods of economic slowdown or recession, significantly rising interest rates, declining employment levels, decreasing demand for real estate, or the public perception that any of these events may occur, have resulted in and could continue to result in a general decline in acquisition, disposition and leasing activity, as well as a general decline in the value of real estate and in rents. These events could adversely affect our demand among investors, which will impact our results of operations.

During an economic downturn, it may also take longer for us to dispose of real estate investments, or the disposition prices may be lower than originally anticipated. As a result, the carrying value of such real estate investments may become impaired and we could record losses as a result of such impairment or could experience reduced profitability related to declines in real estate values. These events could adversely affect our performance and, in turn, our business, and negatively impact our results of operations.

Negative general economic conditions could continue to reduce the overall amount of sale and leasing activity in the commercial real estate industry, and hence the demand for our securities, which may in turn adversely affect our revenues. We are unable to predict the likely duration and severity of the current disruption in financial markets and adverse economic conditions in the United States and other countries.

Further downgrades of the U.S. credit rating, impending automatic spending cuts or a government shutdown could negatively impact our liquidity, financial condition and earnings.

Recent U.S. debt ceiling and budget deficit concerns have increased the possibility of additional credit rating downgrades and economic slowdowns, or a recession in the United States. Although U.S. lawmakers passed legislation to raise the federal debt ceiling on multiple occasions, ratings agencies have lowered or threatened to lower the long-term sovereign credit rating on the United States. The impact of this or any further downgrades to the U.S. government's sovereign credit rating or its perceived creditworthiness could adversely affect the United States and global financial markets and economic conditions. With the improvement of the U.S. economy, the Federal Reserve may continue to raise interest rates, which would increase borrowing costs and may negatively impact our ability to access the debt markets on favorable terms. In addition, disagreement over the federal budget has caused the U.S. federal government to essentially shut down for periods of time. Continued adverse political and economic conditions could have an adverse effect on our business, financial condition and results of operations.

Global economic, political and market conditions and economic uncertainty may adversely affect our business, results of operations and financial condition.

The current worldwide financial market situation, as well as various social and political tensions in the United States and around the world, may continue to contribute to increased market volatility, may have long-term effects on the United States and worldwide financial markets, and may cause further economic uncertainties or deterioration in the United States and worldwide. Economic uncertainty can have a negative impact on our business through changing spreads, structures and purchase multiples, as well as the overall supply of investment capital. Since 2010, several European Union, or EU, countries, including Greece, Ireland, Italy, Spain, and Portugal, have faced budget issues, some of which may have negative long-term effects for the economies of those countries and other EU countries. Additionally, the precise details and the resulting impact of the United Kingdom's vote to leave the EU, commonly referred to as "Brexit," are impossible to ascertain at this point. The effect on the United Kingdom's economy will likely depend on the nature of trade relations with the EU following its exit, a matter to be negotiated. The decision may cause increased volatility and have a significant adverse impact on world financial markets, other international trade agreements, and the United Kingdom and European economies, as well as the broader global economy for some time. Further, there is continued concern about national-level support for the Euro and the accompanying coordination of fiscal and wage policy among European Economic and Monetary Union member countries. In addition, the fiscal policy of foreign nations, such as China, may have a severe impact on the worldwide and United States financial markets. We do not know how long the financial markets will continue to be affected by these events and cannot predict the effects of these or similar events in the future on the United States

economy and securities markets or on our investments. As a result of these factors, there can be no assurance that we will be able to successfully monitor developments and manage our investments in a manner consistent with achieving our investment objectives.

Risks Related to Our Organization and Structure

Our unitholders do not elect or vote on our General Partner and have limited ability to influence decisions regarding our business.

Our limited partnership agreement provides that the assets, affairs and business of the Fund will be managed under the direction of our General Partner, subject to its right to delegate all or some of its responsibilities. Our unitholders do not elect or vote on our General Partner, and, unlike the holders of common units in a corporation, have only limited voting rights on matters affecting our business, and therefore limited ability to influence decisions regarding our business.

Our common unitholders will have limited voting rights and may be bound by either a majority or supermajority vote.

Our common unitholders will have voting rights only with respect to certain matters, primarily relating to amendments to our limited partnership agreement that would adversely change the rights of the common units, removal of our General Partner for “cause,” and the dissolution of the issuer (only if the General Partner has been removed for “cause”). Each outstanding common unit entitles the holder to one vote on all matters submitted to a vote of common unitholders. Generally, matters to be voted on by our unitholders must be approved by a majority of the votes cast by all common units present in person or represented by proxy, although the vote to remove the General Partner for “cause” requires a two-thirds vote. If any vote occurs, you will be bound by the majority or supermajority vote, as applicable, even if you did not vote with the majority or supermajority.

As a non-listed company conducting an exempt offering pursuant to Regulation D, we are not subject to a number of corporate governance requirements, including the requirements for a board of directors or independent board committees.

As a non-listed company conducting an exempt offering pursuant to Regulation D, we are not subject to a number of corporate governance requirements that an issuer conducting an offering on Form S-11 or listing on a national stock exchange would be. Accordingly, while we will retain an independent representative to review certain conflicts of interest, we do not have a board of directors, nor are we required to have (i) a board of directors of which a majority consists of “independent” directors under the listing standards of a national stock exchange, (ii) an audit committee composed entirely of independent directors and a written audit committee charter meeting a national stock exchange’s requirements, (iii) a nominating/corporate governance committee composed entirely of independent directors and a written nominating/corporate governance committee charter meeting a national stock exchange’s requirements, (iv) a compensation committee composed entirely of independent directors and a written compensation committee charter meeting the requirements of a national stock exchange, and (v) independent audits of our internal controls. Accordingly, you may not have the same protections afforded to unitholders of companies that are subject to all of the corporate governance requirements of a national stock exchange.

As our sponsor establishes additional offerings and other Fundrise Platform investment opportunities in the future, there may be conflicts of interests among the various offerings, which may result in opportunities that would benefit the Fund being allocated to the other offerings.

Our sponsor’s real estate professionals acting on behalf of our Manager must determine which investment opportunities to recommend to us and other Fundrise entities. Our Manager and its affiliates may allocate investments that are located in Opportunity Zones between us and other funds formed by our sponsor. Our sponsor has previously organized, as of the date of this PPM, seven (7) eREITs™ and three (3) eFunds™.

If a sale, financing, investment or other business opportunity would be suitable for more than one investment opportunity, our sponsor and its officers and directors will allocate it using their business judgment. Any allocation of this type may involve the consideration of a number of factors that our sponsor and its officers and directors

determine to be relevant. Except under any policies that may be adopted by our Manager or sponsor, no Fundrise Platform investment opportunity (including us) will have any duty, responsibility or obligation to refrain from:

- engaging in the same or similar activities or lines of business as any other Fundrise Platform investment opportunity;
- doing business with any potential or actual tenant, lender, purchaser, supplier, customer or competitor of any Fundrise Platform investment opportunity;
- engaging in, or refraining from, any other activities whatsoever relating to any of the potential or actual tenants, lenders, purchasers, suppliers or customers of any Fundrise Platform investment opportunity;
- establishing material commercial relationships with another Fundrise Platform investment opportunity; or
- making operational and financial decisions that could be considered to be detrimental to another Fundrise Platform investment opportunity.

In addition, any decisions by our sponsor, General Partner or Manager to renew, extend, modify or terminate an agreement or arrangement, or enter into similar agreements or arrangements in the future, may benefit one Fundrise Platform investment opportunity more than another or limit or impair the ability of any Fundrise Platform investment opportunity to pursue business opportunities. In addition, third parties may require as a condition to their arrangements or agreements with or related to any one particular Fundrise Platform investment opportunity that such arrangements or agreements include or not include another Fundrise Platform investment opportunity, as the case may be. Any of these decisions may benefit one Fundrise Platform investment opportunity more than another.

The conflicts of interest policies our Manager has adopted may not adequately address all of the conflicts of interest that may arise with respect to our activities and are subject to change or suspension.

In order to avoid any actual or perceived conflicts of interest among the Fundrise Platform investment opportunities and with our General Partner's or Manager's directors, officers and affiliates, our Manager has adopted a conflicts of interest policy to specifically address some of the conflicts relating to our activities. There is no assurance that these policies will be adequate to address all of the conflicts that may arise or will address such conflicts in a manner that is favorable to the Fund. Our Manager may modify, suspend or rescind the policies set forth in the conflicts policy, including any resolution implementing the provisions of the conflicts policy, in each case, without a vote of our unitholders.

Certain provisions of our limited partnership agreement and Delaware law could hinder, delay or prevent a change of control of the Fund.

Certain provisions of our limited partnership agreement and Delaware law could have the effect of discouraging, delaying or preventing transactions that involve an actual or threatened change of control of the Fund. These provisions include the following:

- *Authorization of additional units, issuances of authorized units and classification of units without unitholder approval*. Our limited partnership agreement authorizes us to issue additional units or other securities of the Fund for the consideration and on the terms and conditions established by our General Partner without the approval of our unitholders. In particular, our General Partner is authorized to provide for the issuance of an unlimited amount of one or more classes or series of our units, including preferred units, and to fix the number of units, the relative powers, preferences and rights, and the qualifications, limitations or restrictions applicable to each class or series thereof by resolution authorizing the issuance of such class or series. Our ability to issue additional units and other securities could render more difficult or discourage an attempt to obtain control over the Fund by means of a tender offer, merger or otherwise.
- *Delaware Business Combination Statute—Section 203*. Section 203 of the DGCL, which restricts certain business combinations with interested unitholders in certain situations, does not apply to limited partnerships unless they elect to utilize it. Our limited partnership agreement does not currently elect to have Section 203 of the DGCL apply to us. In general, this statute prohibits a publicly held Delaware

corporation from engaging in a business combination with an interested unitholder for a period of three years after the date of the transaction by which that person became an interested unitholder, unless the business combination is approved in a prescribed manner. For purposes of Section 203, a business combination includes a merger, asset sale or other transaction resulting in a financial benefit to the interested unitholder, and an interested unitholder is a person who, together with affiliates and associates, owns, or within three years prior did own, 15% or more of voting units. Our General Partner may elect to amend our limited partnership agreement at any time to have Section 203 apply to us.

- *Ownership limitations.* Our limited partnership agreement, subject to certain exceptions, provides that generally no person may own, or be deemed to own by virtue of the attribution provisions of the Code, either more than 9.8% in value or in number of our units, whichever is more restrictive, or more than 9.8% in value or number of our common units, whichever is more restrictive. Accordingly, no person may own, or be deemed to own, more than 9.8% in value or in number of our units, whichever is more restrictive. The ownership limits could have the effect of discouraging a takeover or other transaction in which unitholders might receive a premium for their units over the then prevailing market price or which holders might believe to be otherwise in their best interests. Furthermore, we will reject any investor's subscription in whole or in part if we determine that such subscription would violate such ownership limits.

This provision may inhibit large investors from purchasing your units. In its sole discretion, including to protect our operations and our non-redeemed unitholders or to prevent an undue burden on our liquidity, if applicable, our General Partner could amend, suspend or terminate our redemption plan without notice. Further, the redemption plan includes numerous restrictions that would limit your ability to sell your units. We describe these restrictions in more detail under "Description of Our Common Units —Our Liquidity Philosophy and Redemption Plan."

- *Exclusive authority of our General Partner to amend our limited partnership agreement .* Our limited partnership agreement provides that our General Partner has the exclusive power to adopt, alter or repeal any provision of the limited partnership agreement, unless such amendment would adversely change the rights of the common units. Thus, our unitholders generally may not effect changes to our limited partnership agreement.

You are limited in your ability to sell your common units pursuant to our redemption plan. You may not be able to sell any of your common units back to us, and if you do sell your units, you may not receive the price you paid upon subscription.

Our redemption plan may provide you with an opportunity to have your common units redeemed by us. We anticipate that our common units may be redeemed by us on an ongoing basis, following a minimum sixty (60) day waiting period after the redemption request has been submitted. However, our redemption plan contains certain restrictions and limitations, including those relating to the number of our common units that we can redeem at any given time and limiting the Redemption Price. Specifically, we intend to limit the number of units to be redeemed during any calendar year to no more than 5.0% of our common units outstanding (or 1.25% per calendar quarter, with excess capacity carried over to later calendar quarters in that calendar year). However, as we intend to make a number of commercial real estate investments of varying terms and maturities, our General Partner may elect to increase or decrease the amount of common units available for redemption in any given month or quarter, as these commercial real estate assets are paid off or sold, so long as, in the aggregate, we do not redeem more than 5.00% in any calendar year.

In addition, pursuant to our redemption plan, a unitholder may only (a) have one outstanding redemption request at any given time and (b) request that we redeem up to the lesser of 5,000 units or \$50,000 per each redemption request.

Further, due to the operational requirements to qualify as an "opportunity fund", it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time.

Finally, our General Partner reserves the right to reject any redemption request for any reason or no reason or to amend or terminate the redemption plan without prior notice. Therefore, you may not have the opportunity to make

a redemption request prior to a potential termination of the redemption plan and you may not be able to sell any of your common units back to us pursuant to the redemption plan. Moreover, if you do sell your common units back to us pursuant to the redemption plan, you will not receive the same price you paid for the common units being redeemed other than during your Introductory Period. See “Description of Our Common Units —Our Liquidity Philosophy and Redemption Plan.”

The offering price of our units was not established on an independent basis; the actual value of your investment may be substantially less than what you pay.

Our General Partner established the offering price of our units on an arbitrary basis. The selling price of our units bears no relationship to our book or asset values or to any other established criteria for valuing units. Because the offering price is not based upon any independent valuation, the offering price may not be indicative of the proceeds that you would receive upon liquidation. Further, the offering price may be significantly more than the price at which the units would trade if they were to be listed on an exchange or actively traded by broker-dealers.

We are selling up to \$500 million of our common units through the termination of this offering, which amount may be increased in our General Partner’s sole discretion; therefore, your interest in us may be diluted, which could reduce the overall value of your investment.

Potential investors in this offering do not have preemptive rights to any units we issue through the termination of this offering. Our Manager is authorized, subject to the restrictions of applicable securities laws, to provide for the issuance of an unlimited amount of one or more classes or series of units in the Fund, including preferred units, and to fix the number of units, the relative powers, preferences and rights, and the qualifications, limitations or restrictions applicable to each class or series thereof by resolution authorizing the issuance of such class or series, without unitholder approval. After your purchase in this offering, our General Partner may elect to (i) sell additional units in this or future offerings, (ii) issue equity interests in private offerings, or (iii) issue units to our General Partner or our Manager, or their successors or assigns, in payment of an outstanding fee obligation. To the extent we issue additional equity interests after your purchase in this offering, your percentage ownership interest in us will be diluted. In addition, depending upon the terms and pricing of any additional offerings and the value of our investments, you may also experience dilution in the book value and fair value of your units.

By purchasing units in this offering, you are bound by the arbitration provisions contained in our limited partnership agreement and our subscription agreement which limit your ability to bring class action lawsuits or seek remedy on a class basis, including with respect to securities law claims.

By purchasing units in this offering, investors agree to be bound by the arbitration provision contained in our limited partnership agreement and our subscription agreement. Such arbitration provisions apply to claims under the U.S. federal securities laws and all claims that are related to the Fund, including with respect to this offering, our ongoing operations and management of our investments, among other things, and limits the ability of investors to bring class action lawsuits or similarly seek remedy on a class basis.

By agreeing to be subject to the arbitration provisions contained in our limited partnership agreement and our subscription agreement, you are severely limiting your rights to seek redress against us in court. For example, you may not be able to pursue litigation for any claim in state or federal courts against us, our General Partner, our Manager, our sponsor, or their respective directors or officers, including with respect to securities law claims, and any awards or remedies determined by the arbitrators may not be appealed. In addition, arbitration rules generally limit discovery, which could impede your ability to bring or sustain claims, and the ability to collect attorneys' fees or other damages may be limited in the arbitration, which may discourage attorneys from agreeing to represent parties wishing to commence such a proceeding.

Specifically, under Section 12.13 of our limited partnership agreement and Section 13 of our subscription agreement (the “Arbitration Provision”), either party may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a claim be final and binding arbitration. We have not determined whether we will exercise our right to demand arbitration but reserve the right to make that determination on a case by case basis as claims arise. In this regard, the Arbitration Provision is similar to a binding arbitration provision as we are likely to invoke the Arbitration Provision to the fullest extent permissible.

Any arbitration brought pursuant to the Arbitration Provision must be conducted in the District of Columbia, in the Washington, DC metropolitan area. The term “Claim” as used in the Arbitration Provision is very broad and includes any past, present, or future claim, dispute, or controversy involving you (or persons claiming through or connected with you), on the one hand, and us (or persons claiming through or connected with us), on the other hand, relating to or arising out of your subscription agreement, the Fundrise Platform, and/or the activities or relationships that involve, lead to, or result from any of the foregoing, including (except an individual Claim that you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court) the validity or enforceability of the Arbitration Provision, any part thereof, or the entire limited partnership agreement and subscription agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law, or principles of equity; or otherwise. Claims include (without limitation) matters arising as initial claims, counter-claims, cross-claims, third-party claims, or otherwise. The scope of the Arbitration Provision is to be given the broadest possible interpretation that will permit it to be enforceable. Based on discussion with and research performed by the Fund’s counsel, we have no reason to believe that the Arbitration Provision is not enforceable under federal law, the laws of the State of Delaware, the laws of the District of Columbia, or under any other applicable laws or regulations. However, to the extent that the provision in our limited partnership agreement and our subscription agreement with respect to the Arbitration Provision or otherwise requiring you to waive certain rights were to be found by a court to be unenforceable, we would abide by such decision.

Further, potential investors should consider that our limited partnership agreement and our subscription agreement restrict the ability of our unitholders to bring class action lawsuits or to similarly seek remedy on a class basis, unless otherwise consented to by us. These restrictions on the ability to bring a class action lawsuit is likely to result in increased costs, both in terms of time and money, to any unitholders who wish to pursue claims against us.

BY AGREEING TO BE SUBJECT TO THE ARBITRATION PROVISIONS, INVESTORS WILL NOT BE DEEMED TO WAIVE THE COMPANY’S COMPLIANCE WITH THE FEDERAL SECURITIES LAWS AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.

Risks Related to Our Intended Status as an Opportunity Fund

We may not meet the requirements to be treated as an Opportunity Fund.

We intend to operate in conformity with the requirements to be classified as a “qualified opportunity fund” pursuant to Section 1400Z-2 of the Code and any subsequently issued guidance thereunder. In general, an Opportunity Fund is any investment vehicle organized as a corporation or a partnership for the purpose of investing in Qualified Property and that holds at least 90% of its assets in Qualified Property. We generally are required to test for compliance with these requirements twice a year. Qualified Property includes “qualified opportunity zone business property,” as well as certain interests in entities that are treated as a “qualified opportunity zone business.” Generally, qualified opportunity zone business property is tangible property used in a trade or business that meets certain specified requirements and is located in areas designated as an Opportunity Zone by a state (including possessions of the United States and the District of Columbia) pursuant to certain requirements in the Code.

The Opportunity Zone rules were recently enacted as part of the TCJA, and there are no implementing regulations and only limited IRS guidance has been provided. Accordingly, while we intend to meet the requirements to be treated as an Opportunity Fund, our ability to be treated as an Opportunity Fund is subject to considerable uncertainty. It is possible that we may fail to meet the requirements to be treated as an Opportunity Fund, and there can be no guarantee that any investor will realize any tax advantages of investing in an Opportunity Fund as a result of an investment in the Fund.

In the event that we do not meet requirements to be treated as an Opportunity Fund, we generally would be subject to certain penalties unless we can establish that the failure is due to reasonable cause. These penalties are calculated based on the extent to which our assets fall beneath the threshold of Qualified Property required to be held in order to meet the Opportunity Fund requirements, multiplied by an interest rate set by the IRS. In the event that we were subject to these penalties, the amount of the penalty would be treated as a Fund expense, which could

adversely impact the returns of the Fund, perhaps substantially. For additional information, please see “U.S. Federal Income Tax Considerations—Opportunity Fund Considerations.”

Our investment decisions may be affected by our efforts to qualify as an Opportunity Fund.

Because we intend to qualify as an Opportunity Fund and to meet the requirements for achieving certain tax advantages for investors who invest qualifying gains in an Opportunity Fund, we may make investment decisions that are different from those we would make if we were not intending to so qualify. For example, we intend to invest substantially all of the Fund’s commitments in properties located within Opportunity Zones. We may also hold fund investments for longer periods than if we were not intending to qualify as an Opportunity Fund, as in order to take advantage of certain tax benefits regarding the exclusion of future gain of investing in an Opportunity Fund, each investor must hold its interest in the Fund for at least 10 years. This long-term holding requirement may require the Fund to sell investments at inopportune times and may result in lower returns than if the Fund were to sell each investment when market conditions are most favorable.

Investors must make appropriate timely investments and elections in order to take advantage of the benefits of an Opportunity Fund.

In order for an investor to receive the Opportunity Fund benefits that the Fund is intended to enable, each such investor must make a timely investment of gains in the Fund and timely election to treat such investment as an Opportunity Fund investment under Section 1400Z-2 of the Code. In particular, any gain deferred by investing in the Fund must have been generated from a sale to an unrelated party within 180 days of investment in the Fund. The Fund has no control over these circumstances, and investors will have to rely on their own tax advisors and determinations.

We may elect to qualify as a REIT or to be treated as a taxable corporation.

As part of our general approach for qualifying as an Opportunity Fund, we currently intend to elect to qualify as a REIT for U.S. federal income tax purposes, which introduces a number of additional risks and tax considerations which are addressed in the additional risk factors below and further below under “U.S. Federal Income Tax Considerations”. Alternatively, we may determine to elect to be treated as a taxable corporation for federal income tax purposes for all or a portion of the Fund’s term, if we determine that such treatment is appropriate and consistent with our intention to qualify as an Opportunity Fund. If we were to elect to be treated as a taxable corporation, then our returns to investors could be reduced significantly by corporate income taxes that we would be required to pay.

Risks Related to Our Status as a REIT, if applicable

Failure to qualify as a REIT would cause us to be taxed as a regular corporation, which would substantially reduce funds available for distributions to our unitholders.

We believe that our organization, prior and proposed ownership and method of operation will enable us to meet the requirements for qualification and taxation as a REIT. However, we cannot assure you that we will qualify as such. This is because qualification as a REIT involves the application of highly technical and complex provisions of the Code as to which there are only limited judicial and administrative interpretations and involves the determination of facts and circumstances not entirely within our control. Future legislation, new regulations, administrative interpretations or court decisions may significantly change the tax laws or the application of the tax laws with respect to qualification as a REIT or the U.S. federal income tax consequences of such qualification.

If we fail to qualify as a REIT in any taxable year, we will face serious tax consequences that will substantially reduce the funds available for distributions to our unitholders because:

- we would not be allowed a deduction for dividends paid to unitholders in computing our taxable income and would be subject to U.S. federal income tax at regular corporate rates; and
- unless we are entitled to relief under certain U.S. federal income tax laws, we could not re-elect REIT status until the fifth calendar year after the year in which we failed to qualify as a REIT.

In addition, if we fail to qualify as a REIT, we will no longer be required to make distributions. As a result of all these factors, our failure to qualify as a REIT could impair our ability to expand our business and raise capital, and it would adversely affect the value of our common units. See “U.S. Federal Income Tax Considerations” for a discussion of certain U.S. federal income tax considerations relating to us and our common units.

Even if we qualify as a REIT, we may owe other taxes that will reduce our cash flows.

Even if we qualify for taxation as a REIT, we may be subject to certain U.S. federal, state and local taxes on our income and assets, on taxable income that we do not distribute to our unitholders, on net income from certain “prohibited transactions,” and on income from some activities conducted as a result of a foreclosure, and state or local income, property and transfer taxes. For example, to the extent we satisfy the 90% distribution requirement but distribute less than 100% of our REIT taxable income, we will be subject to U.S. federal corporate income tax on our undistributed taxable income. We also will be subject to a 4% nondeductible excise tax if the actual amount that we distribute to our unitholders in a calendar year is less than a minimum amount specified under the Code. As another example, we are subject to a 100% “prohibited transaction” tax on any gain from a sale of property that is characterized as held for sale, rather than investment, for U.S. federal income tax purposes, unless we comply with a statutory safe harbor or earn the gain through a taxable REIT subsidiary (“TRS”). Further, any TRS that we establish will be subject to regular corporate U.S. federal, state and local taxes. Any of these taxes would decrease cash available for distribution to unitholders.

REIT distribution requirements could adversely affect our liquidity and may force us to borrow funds during unfavorable market conditions.

In order to maintain our REIT status and to meet the REIT distribution requirements, we may need to borrow funds on a short-term basis or sell assets, even if the then-prevailing market conditions are not favorable for these borrowings or sales. In addition, we may need to reserve cash (including proceeds from this offering) to satisfy our REIT distribution requirements, even though there are attractive investment opportunities that may be available. To qualify as a REIT, we generally must distribute to our unitholders at least 90% of our net taxable income each year, excluding capital gains. In addition, we will be subject to corporate income tax to the extent we distribute less than 100% of our taxable income including any net capital gain. We intend to make distributions to our unitholders to comply with the requirements of the Code for REITs and to minimize or eliminate our corporate income tax obligation to the extent consistent with our business objectives. Our cash flows from operations may be insufficient to fund required distributions, for example as a result of differences in timing between the actual receipt of income and the recognition of income for U.S. federal income tax purposes, the effect of non-deductible capital expenditures, limitations on interest expense or net operating loss deductibility, the creation of reserves or required debt service or amortization payments. The insufficiency of our cash flows to cover our distribution requirements could have an adverse impact on our ability to raise short- and long-term debt or sell equity securities in order to fund distributions required to maintain our REIT status. In addition, we will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions paid by us in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from prior years. To address and/or mitigate some of these issues, we may make taxable distributions that are in part paid in cash and in part paid in our common units. In such cases our unitholders may have tax liabilities from such distributions in excess of the cash they receive. The treatment of such taxable unit distributions is not clear, and it is possible the taxable unit distribution will not count towards our distribution requirement, in which case adverse consequences could apply.

If we fail to invest a sufficient amount of the net proceeds from selling our common units in real estate assets within one year from the receipt of the proceeds, we could fail to qualify as a REIT.

We intend in the future to elect to be treated as a REIT for U.S. federal income tax purposes. Temporary investment of the net proceeds from sales of our common units in short-term securities and income from such investment generally will allow us to satisfy various REIT income and asset requirements, but only during the one-year period beginning on the date we receive the net proceeds. If we are unable to invest a sufficient amount of the net proceeds from sales of our common units in qualifying real estate assets within such one-year period, we could fail to satisfy one or more of the gross income or asset tests and/or we could be limited to investing all or a portion of any remaining funds in cash or cash equivalents. If we fail to satisfy any such income or asset test, unless we are

entitled to relief under certain provisions of the Code, we could fail to qualify as a REIT. See “U.S. Federal Income Tax Considerations.”

If we form a TRS, our overall tax liability could increase.

We intend in the future to elect to be treated as a REIT for U.S. federal income tax purposes. Any TRS we form, once we qualify as a REIT, will be subject to U.S. federal, state and local income tax on its taxable income. Accordingly, although our ownership of any TRSs may allow us to participate in the operating income from certain activities that we could not participate in without violating the REIT income tests requirements of the Code or incurring the 100% tax on gains from prohibited transactions, the TRS through which we earn such operating income or gain will be fully subject to corporate income tax. The after-tax net income of any TRS would be available for distribution to us; however, any dividends received by us from our domestic TRSs will only be qualifying income for the 95% REIT income test, not the 75% REIT income test.

Although our use of TRSs may partially mitigate the impact of meeting certain requirements necessary to maintain our qualification as a REIT, there are limits on our ability to own and engage in transactions with TRSs, and a failure to comply with the limits would jeopardize our REIT qualification and may result in the application of a 100% excise tax.

A REIT may own up to 100% of the stock or securities of one or more TRSs. A TRS may hold assets and earn income that would not be qualifying assets or income if held or earned directly by a REIT. A TRS also may sell assets without incurring the 100% tax on prohibited transactions. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation of which a TRS directly or indirectly owns more than 35% of the voting power or value of the stock will automatically be treated as a TRS. Overall, no more than 20% of the value of a REIT’s assets may consist of stock or securities of one or more TRSs. In addition, the rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. The rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm’s-length basis. We may jointly elect with one or more subsidiaries for those subsidiaries to be treated as TRSs for U.S. federal income tax purposes. These TRSs will pay U.S. federal, state and local income tax on their taxable income, and their after-tax net income will be available for distribution to us but is not required to be distributed to us. We will monitor the value of our respective investments in any TRSs we may form for the purpose of ensuring compliance with TRS ownership limitations and intend to structure our transactions with any such TRSs on terms that we believe are arm’s-length to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with the 20% TRS limitation or to avoid application of the 100% excise tax.

Dividends payable by REITs generally do not qualify for reduced tax rates under current law.

The maximum U.S. federal income tax rate for certain qualified dividends payable to U.S. unitholders that are individuals, trusts and estates generally is 20%. Dividends payable by REITs, however, are generally not eligible for the reduced rates and therefore may be subject to a 37% maximum U.S. federal income tax rate on ordinary income when paid to such unitholders. The more favorable rates applicable to regular corporate dividends under current law could cause investors who are individuals, trusts and estates or are otherwise sensitive to these lower rates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the stock of REITs, including our common units. However, for taxable years beginning after December 31, 2017 and before January 1, 2026, and subject to certain limitations, non-corporate taxpayers may deduct up to 20% of certain qualified business income, including “qualified REIT dividends.” Qualified REIT dividends eligible for this deduction generally will include our dividends received by a non-corporate U.S. stockholder that we do not designate as capital gain dividends and that are not qualified dividend income.

Complying with REIT requirements may cause us to forego otherwise attractive opportunities or to liquidate otherwise attractive investments.

To qualify as a REIT, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our unitholders and the ownership of our units. We may be required to make distributions to our unitholders at disadvantageous times or when we do

not have funds readily available for distribution. Thus, compliance with the REIT requirements may, for instance, hinder our ability to make certain otherwise attractive investments or undertake other activities that might otherwise be beneficial to us and our unitholders, or may require us to borrow or liquidate investments in unfavorable market conditions and, therefore, may hinder our investment performance. As a REIT, at the end of each calendar quarter, at least 75% of the value of our assets must consist of cash, cash items, U.S. Government securities and qualified “real estate assets.” The remainder of our investments in securities (other than cash, cash items, U.S. Government securities, securities issued by a TRS and qualified real estate assets) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our total assets (other than cash, cash items, U.S. Government securities, securities issued by a TRS and qualified real estate assets) can consist of the securities of any one issuer, no more than 20% of the value of our total securities can be represented by securities of one or more TRSs, and no more than 25% of the value of our total assets may be represented by debt instruments of publicly offered REITs that are not secured by mortgages on real property or interests in real property. After meeting these requirements at the close of a calendar quarter, if we fail to comply with these requirements at the end of any subsequent calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. As a result, we may be required to liquidate from our portfolio or forego otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our unitholders.

You may be restricted from acquiring, transferring or redeeming certain amounts of our common units.

All of our common units will be “restricted securities” within the meaning of Rule 144 under the Securities Act and therefore may not be transferred by a holder thereof within the United States or to a “U.S. person” unless such transfer is made pursuant to registration under the Securities Act, pursuant to an exemption therefrom, or in a transaction outside the United States pursuant to the resale provisions of Regulation S.

In order to maintain our REIT qualification, among other requirements, no more than 50% in value of our outstanding units may be owned, directly or indirectly, by five or fewer individuals, as defined in the Code to include certain kinds of entities, during the last half of any taxable year, other than the first year for which a REIT election is made. To assist us in qualifying as a REIT, our limited partnership agreement contains an aggregate unit ownership limit and a common unit ownership limit. Generally, any of our units owned by affiliated owners will be added together for purposes of the aggregate unit ownership limit, and any common units owned by affiliated owners will be added together for purposes of the common unit ownership limit.

If anyone attempts to transfer or own units in a way that would violate the aggregate unit ownership limit or the common unit ownership limit (or would prevent us from continuing to qualify as a REIT), unless such ownership limits have been waived by our General Partner, those units instead will be deemed transferred to a trust for the benefit of a charitable beneficiary and will be either redeemed by us or sold to a person whose ownership of the units will not violate the aggregate unit ownership limit or the common unit ownership limit and will not prevent us from qualifying as a REIT. If this transfer to a trust fails to prevent such a violation or our disqualification as a REIT, then the initial intended transfer or ownership will be null and void from the outset. Anyone who acquires or owns units in violation of the aggregate unit ownership limit or the common unit ownership limit, unless such ownership limit or limits have been waived by our General Partner, or the other restrictions on transfer or ownership in our limited partnership agreement, bears the risk of a financial loss when the units are redeemed or sold, if the NAV of our units falls between the date of purchase and the date of redemption or sale.

Our limits on ownership of our units also may require us to decline redemption requests that would cause other unitholders to exceed such ownership limits. In addition, in order to comply with certain of the distribution requirements applicable to REITs we will decline to honor any redemption request that we believe is a “dividend equivalent” redemption as discussed in “U.S. Federal Income Tax Considerations—Taxation of Taxable U.S. Unitholders—Redemptions of Common Units.”

Complying with REIT requirements may limit our ability to hedge effectively and may cause us to incur tax liabilities.

We intend in the future to elect to be treated as a REIT for U.S. federal income tax purposes. The REIT provisions of the Code substantially limit our ability to hedge our liabilities. Generally, income from a hedging

transaction we enter into to manage risk of interest rate changes with respect to borrowings made or to be made to acquire or carry real estate assets or to offset certain other positions does not constitute “gross income” for purposes of the 75% or 95% gross income tests, provided certain circumstances are satisfied. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non-qualifying income for purposes of both of the gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because our TRS would be subject to tax on income or gains resulting from hedges entered into by it or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear. In addition, losses in our TRSs will generally not provide any tax benefit, except for being carried forward for use against future taxable income in the TRSs.

The ability of our General Partner to revoke our REIT qualification without unitholder approval may cause adverse consequences to our unitholders.

Our limited partnership agreement provides that our General Partner may revoke or otherwise terminate a future REIT election it makes, without the approval of our unitholders, if it determines that it is no longer in our best interest to continue to qualify as a REIT. If we cease to be a REIT, we will not be allowed a deduction for dividends paid to unitholders in computing our taxable income and will be subject to U.S. federal income tax at regular corporate rates, as well as state and local taxes, which may have adverse consequences on our total return to our unitholders.

We may be subject to a 100% penalty tax on any prohibited transactions that we enter into, or may be required to forego certain otherwise beneficial opportunities in order to avoid the penalty tax on prohibited transactions.

If we are found to have held, acquired or developed property primarily for sale to customers in the ordinary course of business, we may be subject to a 100% “prohibited transactions” tax under U.S. federal tax laws on the gain from disposition of the property unless (i) the disposition qualifies for a safe harbor exception for properties that have been held by us for at least two years (generally for the production of rental income) and that satisfy certain additional requirements or (ii) the disposition is made through a TRS and, therefore, is subject to corporate U.S. federal income tax.

Under existing law, whether property is held primarily for sale to customers in the ordinary course of a trade or business is a question of fact that depends on all the facts and circumstances. Our opportunistic business strategy may include investments that risk being characterized as investments in properties held primarily for sale to customers in the ordinary course of a trade or business. We intend to comply with the statutory safe harbor when selling properties (or when our joint ventures sell properties) outside of our TRSs that we believe might reasonably be characterized as held for sale, but compliance with the safe harbor may not always be practical. Moreover, because the determination of whether property is held primarily for sale to customers in the ordinary course of a trade or business is a question of fact that depends on all the facts and circumstances, the IRS might disagree with our characterization of sales outside the safe harbor. Thus, we may be subject to the 100% penalty tax on the gain from dispositions of property.

The potential application of the prohibited transactions tax could cause us to forego potential dispositions of other property or to forego other opportunities that might otherwise be attractive to us, or to hold investments or undertake such dispositions or other opportunities through a TRS, which would generally result in corporate income taxes being incurred.

Legislative or regulatory action related to federal income tax laws could adversely affect our unitholders and/or our business.

On December 22, 2017, the TCJA was enacted. The TCJA makes major changes to the Code, including a number of provisions of the Code that affect the taxation of REITs and their stockholders. The effect of the significant changes made by the TCJA is highly uncertain, and administrative guidance will be required in order to fully evaluate the effect of many provisions. The effect of any technical corrections with respect to the TCJA could have an adverse effect on us or our unitholders. Investors should consult their tax advisors regarding the implications of the TCJA on their investment in our common units.

In addition, in recent years, numerous legislative, judicial and administrative changes have been made to the federal income tax laws applicable to investments in REITs and similar entities. Additional changes to tax laws and regulations are likely to continue to occur in the future, and we cannot assure our unitholders that any such changes will not adversely affect the taxation of a unitholder or will not have an adverse effect on an investment in our common units. Unitholders are urged to consult with their own tax advisors with respect to the potential effect that the TCJA or other legislative, regulatory or administrative developments and proposals could have on their investment in our units.

A portion of our distributions may be treated as a return of capital for U.S. federal income tax purposes, which could reduce the basis of a unitholder's investment in our common units and may trigger taxable gain.

A portion of our distributions may be treated as a return of capital for U.S. federal income tax purposes. As a general matter, a portion of our distributions will be treated as a return of capital for U.S. federal income tax purposes if the aggregate amount of our distributions for a year exceeds our current and accumulated earnings and profits for that year. To the extent that a distribution is treated as a return of capital for U.S. federal income tax purposes, it will reduce a unitholder's adjusted tax basis in the unitholder's common units, and to the extent that it exceeds the unitholder's adjusted tax basis will be treated as gain resulting from a sale or exchange of such common units. A unitholder who invested deferred gain eligible to be treated as an investment in an Opportunity Fund, however, generally will have a tax basis in the unitholder's interest in the Fund of \$0, and as a result the unitholder should expect that distributions in excess of our current or accumulated earnings and profits generally may result in taxable gain and not be treated as a return of capital. See "U.S. Federal Income Tax Considerations."

Our ability to provide certain services to our tenants may be limited by the REIT rules, or may have to be provided through a TRS.

We intend in the future to elect to be treated as a REIT for U.S. federal income tax purposes. We generally will not be permitted to hold interests in rental property where tenants receive services other than services that are customarily provided by landlords, nor can we derive income from a third party that provides such services. If services to tenants at properties in which we hold an interest are limited to customary services, those properties may be disadvantaged as compared to other properties that can be operated without the same restrictions. However, we can provide such non-customary services to tenants or share in the revenue from such services if we do so through a TRS, though income earned through the TRS will be subject to corporate income taxes.

Our Manager and its affiliates have limited experience managing a portfolio of assets owned by a REIT.

REITs are subject to numerous complex requirements in order to maintain their REIT status, including income and asset composition tests. Our Manager and its affiliates have limited experience managing a portfolio in the manner intended to comply with such requirements. To the extent our Manager and its affiliates manage us in a manner that causes us to fail to be a REIT, it could adversely affect the value of our common units.

Property taxes could increase due to property tax rate changes or reassessment, which could impact our cash flow.

Even if qualify as a REIT for U.S. federal income tax purposes at a future time, we generally will be required to pay state and local taxes on our properties. The real property taxes on our properties may increase as property tax rates change or as our properties are assessed or reassessed by taxing authorities. If the property taxes we pay increase, our financial condition, results of operations, cash flow, per unit trading price of our common units and our ability to satisfy our principal and interest obligations and to make distributions to our unitholders could be adversely affected.

We may be subject to adverse tax consequences if certain sale-leaseback transactions are not characterized by the IRS as "true leases."

We may purchase investments in real estate properties and lease them back to the sellers of such properties. In the event the IRS does not characterize such leases as "true leases," we could be subject to certain adverse tax consequences, including an inability to deduct depreciation expense and cost recovery relating to such property, and under certain circumstances, we could fail to qualify as a REIT as a result.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

We make statements in this PPM that are forward-looking statements within the meaning of the federal securities laws. The words “believe,” “estimate,” “expect,” “anticipate,” “intend,” “plan,” “seek,” “may,” and similar expressions or statements regarding future periods are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any predictions of future results, performance or achievements that we express or imply in this PPM or in the information incorporated by reference into this PPM.

The forward-looking statements included in this PPM are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements. Factors which could have a material adverse effect on our operations and future prospects include, but are not limited to:

- our ability to effectively deploy the proceeds raised in this offering;
- our ability to attract and retain members to the Fundrise Platform;
- risks associated with breaches of our data security;
- changes in economic conditions generally and the real estate and securities markets specifically;
- legislative changes to the TCJA or other tax legislation, including the treatment of Opportunity Funds;
- limited ability to dispose of assets because of the relative illiquidity of real estate investments;
- intense competition in the real estate market that may limit our ability to attract or retain tenants or re-lease space;
- defaults on or non-renewal of leases by tenants;
- increased interest rates and operating costs;
- our failure to obtain necessary outside financing;
- decreased rental rates or increased vacancy rates;
- the risk associated with potential breach or expiration of a ground lease, if any;
- difficulties in identifying properties to complete, and consummating real estate acquisitions, developments, joint ventures and dispositions;
- our failure to successfully operate acquired properties and operations;
- exposure to liability relating to environmental and health and safety matters;
- changes in real estate and zoning laws and increases in real property tax rates;
- our failure to maintain our status as a REIT or as an Opportunity Fund;
- failure of acquisitions to yield anticipated results;

- risks associated with derivatives or hedging activity;
- our level of debt and the terms and limitations imposed on us by our debt agreements;
- the need to invest additional equity in connection with debt refinancings as a result of reduced asset values;
- our ability to retain our executive officers and other key personnel of our advisor, our property manager and their affiliates;
- expected rates of return provided to investors;
- the ability of our sponsor and its affiliates to source, originate and service our loans and other assets, and the quality and performance of these assets;
- our ability to retain and hire competent employees and appropriately staff our operations;
- legislative or regulatory changes impacting our business or our assets (including changes to the laws governing the taxation of REITs);
- changes in business conditions and the market value of our assets, including changes in interest rates, prepayment risk, operator or borrower defaults or bankruptcy, and generally the increased risk of loss if our investments fail to perform as expected;
- our ability to implement effective conflicts of interest policies and procedures among the various real estate investment opportunities sponsored by our sponsor;
- our ability to access sources of liquidity when we have the need to fund redemptions of common units in excess of the proceeds from the sales of our common units in our continuous offering and the consequential risk that we may not have the resources to satisfy redemption requests;
- our compliance with applicable local, state and federal laws, including the Investment Advisers Act of 1940, as amended (the “Advisers Act”), the Investment Company Act and other laws; and
- changes to generally accepted accounting principles, or GAAP.

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

ESTIMATED USE OF PROCEEDS

We expect to use substantially all of the net proceeds from this offering (after paying or reimbursing organization and offering expenses) to invest in and manage a diversified portfolio of commercial real estate properties, joint venture equity investments, and other real-estate related assets that are compelling from a risk-return perspective, particularly with a focus on multifamily rental units and office buildings located in Opportunity Zones, as designated by the TCJA. We expect that approximately \$1,200,000 of the initial net proceeds will be used to acquire a property we have identified and described in “Investment Objectives and Strategy—Property Identified for Future Purchase.” If we do not raise the full amount of the purchase price of this property, our sponsor will provide us with a loan to cover the balance of the purchase price, which we will then repay with the first available subsequent offering proceeds. We may also invest in any asset that is deemed to be Qualified Property that is not real property, although generally do not intend to, unless we are unable to find suitable real property located in Opportunity Zones or otherwise need to make such alternative investments to maintain our status as an Opportunity Fund. We may make our investments through majority-owned subsidiaries, some of which may have rights to receive preferred economic returns. We expect that any expenses or fees payable to our Manager for its services in connection with managing our daily affairs, including but not limited to, the selection and acquisition of our investments, eventually will be paid from cash flow from operations. If such fees and expenses are not paid from cash flow (or waived) they will reduce the cash available for investment and distribution and will directly impact our NAV. See “Management Compensation” for more details regarding the fees that will be paid to our General Partner and our Manager and their affiliates. Many of the amounts set forth in the table below represent our General Partner’s and Manager’s best estimates since they cannot be precisely calculated at this time.

We may not be able to promptly invest the net proceeds of this offering in real estate and real estate related assets. In the interim, we may invest in short-term, highly liquid or other authorized investments. Such short-term investments will not earn as high of a return as we expect to earn on our real estate-related investments.

Investors will not pay upfront selling commissions in connection with the purchase of our common units. We will reimburse our Manager for organization and offering costs, which are expected to be approximately \$500,000, but only after we have deployed \$6,000,000 into Qualified Property investments. Reimbursement payments will be made in monthly installments, but the aggregate monthly amount reimbursed can never exceed 0.50% of the aggregate gross offering proceeds from this offering. If the sum of the total unreimbursed amount of such organization and offering costs, plus new costs incurred since the last reimbursement payment, exceeds the reimbursement limit described above for the applicable monthly installment, the excess will be eligible for reimbursement in subsequent months (subject to the 0.50% limit), calculated on an accumulated basis, until our Manager has been reimbursed in full. See “Management Compensation” for a description of additional fees and expenses that we will pay our General Partner and our Manager.

Our estimated organization and offering costs includes all expenses to be paid by us in connection with the formation of the Fund and the qualification of the common units offering in this PPM, and the marketing and distribution of units, including, without limitation, expenses for printing, engraving and amending PPMs or supplementing PPMs, mailing and distributing costs, telephones, internet and other telecommunications costs, all advertising and marketing expenses, charges of experts and fees, expenses and taxes related to the filing, registration and qualification of the sale of units under federal and state laws, including taxes and fees and accountants’ and attorneys’ fees. See “Plan of Distribution.”

MANAGEMENT

Our General Partner

Our General Partner, pursuant to the Investment Management Agreement between the Fund, the General Partner and the Manager, has delegated, subject to certain exception, all of its obligations to our Manager. Such delegation does not cause the Manager to be the general partner of the Fund. Our General Partner maintains a contractual, as opposed to a fiduciary relationship, with us and our unitholders. Furthermore, we have agreed to limit the liability of our General Partner and to indemnify our General Partner against certain liabilities.

Our Manager

Pursuant to the Investment Management Agreement between us, the General Partner and our Manager, our Manager is responsible for managing the Fund. In particular, the Manager will implement our investment strategy and manage our portfolio of investments and will establish an investment committee that will make decisions with respect to all acquisitions and dispositions. See “—Investment Committee of our Manager” below. The Manager and its officers and directors are not required to devote all of their time to our business and are only required to devote such time to our affairs as their duties require.

We will follow investment guidelines adopted by our Manager and the investment and borrowing policies set forth in this PPM unless they are modified by our Manager. Our Manager may establish further written policies on investments and borrowings and will monitor our administrative procedures, investment operations and performance to ensure that the policies are fulfilled. Our Manager may change our investment objectives at any time without approval of our unitholders.

Experience of our Sponsor’s Team

As of December 31, 2017, our sponsor had facilitated or originated approximately 143 real estate assets through the various Fundrise Platform investment opportunities in both eREITsSM and eFUNDSSM with aggregate purchase prices of approximately \$1.9 billion, excluding 3 World Trade Center. Of the \$1.9 billion aggregate real estate purchase prices, our sponsor offered through its Fundrise Platform investment opportunities approximately \$339 million, consisting of approximately \$105 million of commercial real estate loan assets, \$132 million of investments in commercial real estate (primarily through majority-owned subsidiaries with rights to receive preferred economic returns) and \$102 million of commercial real estate common equity investments. The portfolios included in the Fundrise Platform investment opportunities are diversified by investment size, security type, property type and geographic region. As a result of the depth and thoroughness of its underwriting process, the extensive investing experience of its management team and its strong performance record in managing a diverse portfolio of assets, we believe our sponsor has earned a reputation as a leading real estate manager, which has allowed it to access funding from a broad base of investors.

Responsibilities of our Manager

Pursuant to the Investment Management Agreement between us, the General Partner and our Manager, our Manager is responsible for providing the following services:

Investment Advisory, Origination and Acquisition Services

- approve and oversee our overall investment strategy, which will consist of elements such as investment selection criteria, diversification strategies and asset disposition strategies;
- serve as our investment and financial manager with respect to sourcing, underwriting, acquiring, financing, originating, servicing, investing in and managing a diversified portfolio of commercial properties and other real estate-related assets;
- adopt and periodically review our investment guidelines;
- structure the terms and conditions of our acquisitions, sales and joint ventures;

- enter into service contracts for the properties and other investments;
- approve and oversee our debt financing strategies;
- approve joint ventures, limited partnerships and other such relationships with third parties;
- approve any potential liquidity transaction;
- obtain market research and economic and statistical data in connection with our investments and investment objectives and policies;
- oversee and conduct the due diligence process related to prospective investments;
- prepare reports regarding prospective investments that include recommendations and supporting documentation necessary for our Manager’s investment committee to evaluate the proposed investments; and
- negotiate and execute approved investments and other transactions.

Asset Management Services

- investigate, select, and, on our behalf, engage and conduct business with such persons as our Manager deems necessary to the proper performance of its obligations under our limited partnership agreement, including but not limited to consultants, accountants, lenders, technical managers, attorneys, corporate fiduciaries, escrow agents, depositaries, custodians, agents for collection, insurers, insurance agents, developers, construction companies and any and all persons acting in any other capacity deemed by our Manager necessary or desirable for the performance of any of the services under our limited partnership agreement;
- monitor applicable markets and obtain reports (which may be prepared by our Manager or its affiliates) where appropriate, concerning the value of our investments;
- monitor and evaluate the performance of our investments, provide daily management services to us and perform and supervise the various management and operational functions related to our investments;
- formulate and oversee the implementation of strategies for the administration, promotion, management, operation, maintenance, improvement, financing and refinancing, marketing, leasing and disposition of investments on an overall portfolio basis; and
- coordinate and manage relationships between us and any joint venture partners.

Construction and Development Services

- Perform feasibility studies, site selection, acquisition, and program definition
- Management of governmental entitlements, zoning, approvals, community engagement, and permits;
- Sourcing, contracting and managing of third party professional services such as environmental, geotechnical, engineering, and architectural;
- Secure and manage lender financing and coordination of ongoing lender reporting, debt covenant compliance and other requirements;
- Define and manage property marketing activities, including traditional and online marketing activities to attract tenancy;
- Negotiate, approve, and enter into leases for the properties;

- Manage bid, evaluate, negotiate and reward project scope with general contractors and sub-contractors and provide final budget approval;
- Administer all construction and development contracts, including draw management, change order review and approval, and oversee budget to scope. Contractor invoice review and approval for final approval and payment. Collection and delivery to owner lien waivers and release of liens. Monitor performance and completion of all punchlist items, and project close-out; and
- Project accounting and administration, including cash management, processing and reviewing disbursements, budget to actual reporting, compiling and managing third party audit and tax procedures, review and approval.

Disposition Services

- evaluate and approve potential asset dispositions, sales or liquidity transactions; and
- structure and negotiate the terms and conditions of transactions pursuant to which our assets may be sold.

Financing Services

- identify and evaluate potential financing and refinancing sources, engaging a third party broker if necessary;
- negotiate terms of, arrange and execute financing agreements;
- manage relationships between us and our lenders, if any; and
- monitor and oversee the service of our debt facilities and other financings, if any.

Allocation of Investment Opportunities

For more information regarding the factors that our Manager’s investment committee may consider in allocating investment opportunities among our additional programs (eREITs™), please see “Conflicts of Interest – Our Affiliates’ Interests in Other Fundrise Entities – Allocation of Investment Opportunities”.

Offering Services

- the development of this offering, including the determination of its specific terms;
- preparation and approval of all marketing materials to be used by us relating to this offering;
- the negotiation and coordination of the receipt, collection, processing and acceptance of subscription agreements, commissions, and other administrative support functions;
- creation and implementation of various technology and electronic communications related to this offering; and
- all other services related to this offering.

Tax and Accounting Management Services

- manage and perform the various administrative functions necessary for day-to-day operations of the Opportunity Fund;
- provide or arrange for administrative services, legal services, office space, office furnishings, personnel and other overhead items necessary and incidental to our business and operations;

- provide financial and operational planning services and portfolio management functions;
- maintain accounting data and any other information concerning our activities as will be required to prepare and to file all periodic financial reports and returns required to be filed with any other regulatory agency, including annual financial statements;
- maintain all appropriate company books and records;
- oversee tax and compliance services and risk management services and coordinate with appropriate third parties, including independent accountants and other consultants, on the Opportunity Fund and related tax matters;
- advise the General Partner as to making, changing, and revoking such tax elections on behalf of the Fund as the Manager recommends, including, without limitation, (i) making an election be treated as a REIT or to revoke such status and (ii) making an election to be classified as an association taxable as a corporation for U.S. federal income tax purposes;
- supervise the performance of such ministerial and administrative functions as may be necessary in connection with our daily operations;
- provide us with all necessary cash management services;
- evaluate and obtain adequate insurance coverage based upon risk management determinations;
- provide timely updates related to the overall tax and regulatory environment affecting us, as well as managing compliance with regulatory matters, in particular ongoing guidance related to Opportunity Zones;
- evaluate our corporate governance structure and appropriate policies and procedures related thereto; and
- oversee all reporting, record keeping, internal controls and similar matters in a manner to allow us to comply with applicable law.

Unitholder Services

- determine our distribution policy and authorizing distributions from time to time;
- approve amounts available for redemptions of our common units;
- manage communications with our unitholders, including answering phone calls, preparing and sending written and electronic reports and other communications; and
- establish technology infrastructure to assist in providing unitholder support and services.

Expense Reimbursement Policies

We will reimburse our General Partner and our Manager and their affiliates, as applicable, for the following expenses incurred on our behalf (to the extent not directly paid by the Fund):

(a) all Formation and Offering Expenses (as defined below) incurred behalf of the Fund and our subsidiaries;

(b) all fees, costs and expenses related to the acquisition, improvement, development, maintenance, ownership, operation, monitoring, financing, refinancing, hedging and/or sale of our assets (including, without limitation, fees, costs and expenses incurred as a result of our acquisition of our assets or proposed investments in future assets that are not consummated, to the extent not reimbursed by a third party, including fees, costs

and expenses that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties;

(c) fees and expenses for legal, audit, accounting, tax preparation, research, valuation, administration and third party consulting services (and to the extent that any lawyers, accountants or other professionals who are employees of or contracted by our sponsor or its affiliates perform legal, accounting or other services in connection with any of the foregoing in lieu of or in conjunction with external legal counsel, auditors or third party professional service providers, our sponsor or Manager is allowed to receive “employee chargebacks” that include a reasonable fee for such services; provided that the amounts charged for such services are reasonable in our Manager’s reasonable discretion and such reimbursement corresponds only to the portion of such employees’ business time spent on Fund matters);

(d) fees, costs and expenses associated with asset management and property management services (which may be payable to or reimbursed to an affiliate of our Manager), including, without limitation, (i) hiring, supervising, and termination of external property management personnel, including, but limited to, property managers, brokers and leasing agents; (ii) negotiating leases; (iii) coordinating development, redevelopment and construction, (iv) zoning and permits; (v) broken deal expenses; (vi) financial performance analysis; (vii) variance analysis; (viii) annual budgeting; (ix) cash forecasting; (x) capital expenditure plan formulation; (xi) asset valuation; and (xii) all other Fund-specific asset and property management services specifically tailored to or associated with Investments;

(e) litigation expenses, including any expenses incurred in connection with any threatened, pending or anticipated litigation, examination or proceeding, including the amount of any settlements or judgments in connection therewith and amounts relating to our indemnification obligations under our limited partnership agreement;

(f) the charges and expenses associated with bookkeeping or the preparation and distribution of financial statements, tax returns, Form 1099s, Schedule K-1s, capital call and distribution notices and reports to our unitholders (including, without limitation, any software or online data portal used in connection with such reporting);

(g) the charges and expenses of maintaining our and our subsidiaries’ bank accounts and of any banks, custodians or depositories appointed for the safekeeping of any funds received in connection with subscriptions before the applicable record date for such units or other property of the Fund, including the costs of bookkeeping and accounting services;

(h) all expenses incurred by our Manager or its designee in its capacity as the Operating Partnership’s “partnership representative” or any similar role;

(i) the costs and expenses relating to meetings of, or reporting to, our Manager’s investment committee, if any, incurred on our behalf;

(j) the costs and expenses of technology related to research and monitoring of our investments, including, without limitation, market information systems and publications, research publications and materials, including, without limitation, new research and quotation equipment and services;

(k) all technology related expenses, including, without limitation, (x) any computer software or hardware, electronic equipment or purchased information technology services from third-party vendors or (y) reasonable expenses of affiliates or (z) technology service providers and related software/hardware utilized in connection with our accounting, investment and operational activities;

(l) travel and entertainment expenses associated with investigating, evaluating, acquiring, making, monitoring, managing or disposing of investments incurred by any person responsible for matters related to the Fund, including personnel of the sponsor and its affiliates, and ordinary travel expenses for third-party legal and other service professionals in connection with services provided to us;

(m) any taxes, fees or other governmental charges levied against us or our subsidiaries and all expenses incurred in connection with any tax filing, tax audit, investigation, settlement or review of the Fund or any of our subsidiaries;

(n) interest on and fees and expenses relating to borrowings of the Fund and its subsidiaries;

(o) expenses related to the formation of any subsidiary or entity formed for the purpose of acquiring or holding any investment;

(p) costs of risk management services and insurance for the Fund, our subsidiaries and their investments, including insurance to protect our sponsor, our Manager and their affiliates in connection with the performance of activities related to us;

(q) expenses incurred in connection with any amendment to our joint venture agreements or any similar arrangements with co-investors or soliciting any consent or approval related thereto;

(r) fees, costs and expenses incurred in connection with communications by us with our investors (including, without limitation, any software or online data portal);

(s) fees, costs and expenses incurred in connection with government and regulatory filings, including, without limitation, this PPM and any supplements;

(t) fees, costs and expenses relating to defaulting joint venture partners or co-investors;

(u) expenses incurred in connection with liquidating the Fund or any of our subsidiaries;

(v) the costs of any third parties retained to provide services to us or any of our subsidiaries; and

(w) all other expenses not specifically provided for above that are incurred by our Manager (or its affiliates) in connection with operating the Fund, any subsidiary of the Fund organized for the purpose of holding Fund assets, or performing the duties of our Manager as described in the section entitled "Management."

For the avoidance of doubt, our Manager will not be reimbursed for (i) office overhead of our Manager or its affiliates, (ii) compensation of our sponsor's employees (except as otherwise provided above), or (iii) travel expenses of our Sponsor's employees that are not related to our assets or other Fund matters.

"Formation and Offering Expenses" means all fees and out-of-pocket expenses incurred in connection with the formation of the Fund and our Operating Partnership and the consummation of any offering by the Fund or any of our subsidiaries, including, without limitation, all fees and expenses incurred in connection with the offer and sale of our common units or units of our Operating Partnership in this offering, including, without limitation, travel, legal, accounting (and to the extent that any lawyers, accountants or other professionals who are employees or contractors of related parties perform legal, accounting or other services in connection with any of the foregoing in lieu of or in conjunction with external legal counsel, auditors or third party professional service providers, our sponsor, General Partner or Manager are allowed to include a reasonable fee for such services; provided that the amounts charged for such employee and contractor charge-back services are reasonable in our General Partner's reasonable discretion and such reimbursement corresponds only to the portion of such employees' business time spent on Fund matters), filings, the cost of preparing the offering materials and the documentation in connection with the formation of the Fund and our Operating Partnership, and all other expenses incurred by the Fund or any related party in connection with the offer and sale of our common units (or units of our Operating Partnership).

Shared Services Agreement

Our General Partner and our Manager will enter into a shared services agreement with Rise Companies Corp., our sponsor, effective upon the commencement of this offering. Pursuant to this agreement, our General Partner and our Manager will be provided with access to, among other things, our sponsor's portfolio management, asset valuation, risk management and asset management services as well as administration services addressing legal,

compliance, investor relations and information technologies necessary for the performance by our General Partner and our Manager of their duties under the limited partnership agreement and Investment Management Agreement, as applicable, in exchange for a fee representing our Manager’s allocable cost for these services. The fee paid by our General Partners and our Manager pursuant to the shared services agreement will not constitute a reimbursable expense under our limited partnership agreement. However, under the shared services agreement, our sponsor will be entitled to receive reimbursement of expenses incurred on behalf of us or our General Partner or our Manager that we are required to pay to our General Partner or our Manager under our limited partnership agreement and Investment Management Agreement, as applicable.

Executive Officers of our Manager and our General Partner

As of the date of this PPM, the executive officers of our Manager and our General Partner and their positions and offices are as follows:

Name	Age	Position
Benjamin S. Miller	41	Chief Executive Officer and Interim Chief Financial Officer and Treasurer
Brandon T. Jenkins	32	Chief Operating Officer
Bjorn J. Hall	37	General Counsel, Chief Compliance Officer and Secretary
Alex King Davidson	36	Senior Vice President- Real Estate

Benjamin S. Miller currently serves as Chief Executive Officer of our Manager and our General Partner and has served as Chief Executive Officer and Director of our sponsor since its inception on March 14, 2012. As of the date of this PPM Ben is also serving as Interim Chief Financial Officer and Treasurer of our Manager. Prior to Rise Development, Ben had been a Managing Partner of the real estate company WestMill Capital Partners from October 2010 to June 2012, and before that, was President of Western Development Corporation from April 2006 to October 2010, after joining the company in 2004 and becoming COO in 2005. Western Development Corp. was one of the largest retail, mixed-use real estate companies in Washington, DC, most notably known for developing Gallery Place, Washington Harbour, Georgetown Park, and Potomac Mills. While at Western Development, Ben led the development activities of over 1.5 million square feet of property, including more than \$300 million of real estate acquisition, development, and financing. Ben was an Associate and part of the founding team of Democracy Alliance, a progressive investment collaborative. From 1999 to 2001, Ben was an associate in business development at Lyte Inc., a retail technology start-up. Starting in 1997 until 1999, Ben worked as an analyst at a private equity real estate fund, Lubert-Adler, and for venture capital firm IL Management. Ben has a Bachelor of Arts from the University of Pennsylvania. Ben is on the Board of Trustees of the National Center for Children and Families.

Brandon T. Jenkins currently serves as Chief Operating Officer of our Manager and our General Partner and has served in such capacities with the sponsor since February of 2014, prior to which time he served as Head of Product Development and Director of Real Estate which he continues to do currently. Additionally, Brandon has served as Director of Real Estate for WestMill Capital Partners since March of 2011. Previously, Brandon spent two and a half years as an investment advisor and sales broker at Marcus & Millichap, the largest real estate investment sales brokerage in the country. Prior to his time in brokerage, Brandon also worked for Westfield Corporation, a leading shopping center owner. Brandon earned is BA in Public Policy and Economics from Duke University.

Bjorn J. Hall currently serves as the General Counsel, Chief Compliance Officer and Secretary of our Manager and our General Partner and has served in such capacities with our sponsor since February 2014. Prior to joining our sponsor in February 2014, Bjorn was a counsel at the law firm of O’Melveny & Myers LLP, where he was a member of the Corporate Finance and Securities Group. Bjorn has a Bachelor of Arts from the University of North Dakota and received a J.D. from Georgetown University Law Center.

Alex King Davidson currently serves as Senior Vice President – Real Estate of our Manager and General Partner and has served in such capacity with our sponsor since May 2015. Previously, Mr. Davidson has worked in real estate development with the national developer Opus Corporation, real estate investment and acquisitions with Clark Enterprises and investment banking with Bank of America Merrill Lynch. Mr. Davidson has a Master of Business Administration from the University of Virginia, Master of Science in Real Estate from Johns Hopkins University and Bachelor of Arts from Washington and Lee University.

Investment Committee of our Manager

The investment committee of our Manager is a standing committee, established to assist our Manager in fulfilling its oversight responsibilities by (1) considering and approving of each investment made by us, (2) establishing our investment guidelines and overseeing our investments, and the investment activity of other accounts and funds held for our benefit and (3) overseeing the investment activities of certain of our subsidiaries. The investment committee will consist of at least three members, including our sponsor's Chief Executive Officer, our sponsor's Chief Operating Officer, and a third member chosen unanimously by the other two members of the investment committee, who will serve until such time as such investment committee member resigns or is replaced. The initial investment committee will be comprised of Mr. Benjamin Miller (our sponsor's Chief Executive Officer), Mr. Brandon Jenkins (our sponsor's Chief Operating Officer), and Mr. Alex King Davidson (our sponsor's SVP of Real Estate). In the event that two or more members of the investment committee are interested parties in a transaction, the Independent Representative (defined below) will be required to approve the transaction. See "Conflicts of Interest—Certain Conflict Resolution Measures—Our Policies Relating to Conflicts of Interest".

Compensation of Executive Officers of our Manager and our General Partner

We do not currently have any employees nor do we currently intend to hire any employees who will be compensated directly by us. Each of the executive officers of our sponsor also serves as an executive officer of our Manager and our General Partner. Each of these individuals receives compensation for his or her services, including services performed for us on behalf of our Manager and our General Partner, from our sponsor. As executive officers of our Manager and our General Partner, these individuals will serve to manage our day-to-day affairs, oversee the review, selection and recommendation of investment opportunities, service acquired investments and monitor the performance of these investments to ensure that they are consistent with our investment objectives. Although we will indirectly bear some of the costs of the compensation paid to these individuals, through fees we pay to our Manager and our General Partner, we do not intend to pay any compensation directly to these individuals.

Limited Liability and Indemnification of our Manager, General Partner and Others

Subject to certain limitations, our limited partnership agreement and the Investment Management Agreement between us and our Manager limits the liability, as applicable, of our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholder and affiliates for monetary damages and provides that we will indemnify and pay or reimburse reasonable expenses in advance of final disposition of a proceeding to our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholder and affiliates.

Our limited partnership agreement and the Investment Management Agreement between us and our Manager, as applicable, provides that to the fullest extent permitted by applicable law our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholders and affiliates will not be liable to us. In addition, pursuant to our limited partnership agreement and the Investment Management Agreement between us and our Manager, as applicable, we have agreed to indemnify our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholders and affiliates, to the fullest extent permitted by law, against all expenses and liabilities (including judgments, fines, penalties, interest, amounts paid in settlement with the approval of the Fund and attorney's fees and disbursements) arising from the performance of any of their obligations or duties in connection with their service to us, the limited partnership agreement, or the Investment Management Agreement, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such person may hereafter be made party by reason of being or having been our General Partner, our Manager or one of their directors or officers.

Insofar as the foregoing provisions permit indemnification of directors, officers or persons controlling us for liability arising under the Securities Act, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Term and Removal of Our General Partner

Our limited partnership agreement provides that our General Partner will serve as such for an indefinite term, but that our General Partner may be removed by us, or may choose to withdraw as General Partner, under certain circumstances.

Our unitholders may only remove our General Partner at any time with 30 days prior written notice for “cause,” following the affirmative vote of two-thirds of our unitholders. If the General Partner is removed for “cause”, the Members will have the power to elect a replacement General Partner upon the affirmative vote of the holders of a majority of our common units. “Cause” is defined as:

- our General Partner’s continued breach of any material provision of the limited partnership agreement following a period of 30 days after written notice thereof (or 45 days after written notice of such breach if our General Partner, under certain circumstances, has taken steps to cure such breach within 30 days of the written notice);
- the commencement of any proceeding relating to the bankruptcy or insolvency of our General Partner, including an order for relief in an involuntary bankruptcy case or our General Partner authorizing or filing a voluntary bankruptcy petition;
- our General Partner committing fraud against us, misappropriating or embezzling our funds, or acting, or failing to act, in a manner constituting bad faith, willful misconduct, gross negligence or reckless disregard in the performance of its duties under the limited partnership agreement; provided, however, that if any of these actions is caused by an employee, personnel and/or officer of our General Partner or one of its affiliates and our General Partner (or such affiliate) takes all necessary and appropriate action against such person and cures the damage caused by such actions within 30 days of our General Partner’s actual knowledge of its commission or omission, then our General Partner may not be removed; or
- the dissolution of our General Partner.

Unsatisfactory financial performance of the Fund does not constitute “cause” under the limited partnership agreement.

Our General Partner may assign its rights under our limited partnership agreement in its entirety or delegate certain of its duties under the limited partnership agreement to any of its affiliates, including pursuant to the shared services agreement described above under “— Shared Services Agreement” without the approval of our unitholders so long as our General Partner remains liable for any such affiliate’s performance, and if such assignment or delegation does not require our approval under the Investment Advisers Act of 1940, as amended.

Our General Partner may withdraw as our General Partner if we become required to register as an investment company under the Investment Company Act, with such withdrawal deemed to occur immediately before such event.

In the event of the removal or withdrawal of our General Partner, our General Partner will cooperate with us and take all reasonable steps to assist in making an orderly transition of the management function. Our General Partner will determine whether any succeeding manager possesses sufficient qualifications to perform the management function.

Holdings of our Operating Partnership’s OP Units

Our Manager will acquire 500 units of membership interests of our Operating Partnership (“OP Units”) at \$10.00 per OP Unit, for net proceeds to our Operating Partnership of \$5,000. The Fund will acquire 100 units of membership interests of our OP Units at \$10.00 per OP Unit, for net proceeds to our Operating Partnership of \$1,000.

Holdings of our Common Units

Each of our Manager and our General Partner will acquire 400 of our common units, and 100 of our common units, respectively, at \$10.00 per common unit, for net proceeds to us of \$5,000.

Fundrise Platform

We will conduct this offering primarily on the Fundrise Platform, which will host this offering in connection with the distribution of the common units offered pursuant to this PPM. The Fundrise Platform is owned and operated by Fundrise, LLC, a wholly-owned subsidiary of Rise Companies Corp., our sponsor. We will not pay Fundrise, LLC, the owner of the Fundrise Platform, any sales commissions or other remuneration for hosting this offering on the Fundrise Platform. The Fundrise Platform has previously hosted private and public offerings of other affiliates of the sponsor under similar arrangements.

License Agreement

We will enter into a license agreement with our sponsor effective upon the commencement of this offering, pursuant to which our sponsor will grant us a non-exclusive, royalty free license to use the name “Fundrise”. Other than with respect to this license, we will have no legal right to use the “Fundrise” name. In the event that our Manager ceases to manage us, we would be required to change our name to eliminate the use of “Fundrise”.

MANAGEMENT COMPENSATION

Our General Partner, our Manager and their affiliates will receive fees and expense reimbursements for services relating to this offering and the investment and management of our assets. The items of compensation are summarized in the following table. None of our General Partner, Manager nor their affiliates will receive any selling commissions or dealer manager fees in connection with the offer and sale of our common units.

In addition to the expense reimbursements listed below, we will reimburse our General Partner and our Manager for all other expenses described in “Management—Expense Reimbursement Policies.”

Form of Compensation and Recipient	Determination of Amount	Estimated Amount
<i>Organization and Offering Stage</i>		
<i>Reimbursement of Organization and Offering Expenses – Manager</i>	We will reimburse our Manager, without interest, for organization and offering costs incurred before and after launch of the Fund, but only after we have deployed \$6,000,000 into Qualified Property investments. Reimbursement payments will be made in monthly installments, but the aggregate monthly amount reimbursed can never exceed 0.50% of the aggregate gross offering proceeds from this offering. Any excess costs will be rolled forward to subsequent months until paid in full.	\$500,000
<i>Operational Stage</i>		
<i>Investment Management Fee – Manager</i>	Quarterly investment management fee equal to an annualized rate of 0.75% of offering proceeds until December 31, 2021, and thereafter will be based on our NAV at periodic intervals as determined by the General Partner in its sole discretion and which cannot exceed an annualized rate of 1.00%. As discussed above, to mitigate the effect of our lack of assets, revenue and operating history, our Manager has agreed, for a period until June 30, 2019 (the “fee waiver period”), to waive its investment management fee during the fee waiver period. Following the conclusion of the fee waiver period, our Manager may, in its sole discretion, waive its investment management fee, in whole or in part. The Manager will forfeit any portion of the investment management fee that is waived. The amount of the investment	Actual amounts are dependent upon the offering proceeds we raise (and any leverage we employ) and the results of our operations; we cannot determine these amounts at the present time.

Form of Compensation and Recipient	Determination of Amount	Estimated Amount
<i>Tax and Accounting Management Fee— Manager</i>	management fee may vary from time to time, and we will report to unitholders any changes in the investment management fee.	Actual amounts are dependent upon the offering proceeds we raise (and any leverage we employ); we cannot determine these amounts at the present time.
	Tax and accounting management fee of up to 0.45% annually of offering proceeds until December 31, 2021, and thereafter based on our NAV, at periodic intervals as determined by the General Partner in its sole discretion, paid to our Manager or its affiliates for the tax management of and accounting for managing the compliance for investing in Opportunity Zones.	

Liquidation/Listing Stage

<i>Management Incentive Allocation— Manager</i>	Upon the liquidation of the Fund and/or sale of all the Fund’s assets, the Manager will receive a distribution from the Operating Partnership of the Management Incentive Allocation if the Fund has achieved an 8% Preferred Return. The “Preferred Return” hurdle will be met upon the Fund distributing to unitholders (i) 100% of the aggregate proceeds raised in this offering plus (ii) an 8% annual, cumulative, non-compounded return on such aggregate proceeds calculated from the earlier of (x) the final closing of this offering or (ii) December 31, 2019. After the Preferred Return hurdle is met, all remaining proceeds from the liquidation of the Fund and/or sale of all the Fund’s assets will be distributed 85% to the unitholders and 15% to the Manager.	Actual amounts are dependent upon the results of our operations; we cannot determine these amounts at the present time.
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Real Estate Property and Development Management Services

Acquisition and Development Stage

<i>Acquisition Fee — Manager or its Affiliate</i>	Up to 2.0% of any amounts funded by us, our sponsor or affiliates of our sponsor to originate, select, diligence, and realize real estate	Paid by the co-investors, joint-venture or property holding entity at closing.
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Form of Compensation and Recipient	Determination of Amount	Estimated Amount
	properties or other assets in Opportunity Zones.	Actual amounts are dependent upon the total equity capital we raise; we cannot determine these amounts at the present time.
<i>Reimbursement of Acquisition Expenses – Manager</i>	We will reimburse our Manager for actual expenses incurred in connection with the selection or acquisition of an investment, whether or not we ultimately acquire the investment.	Actual amounts are dependent upon the offering proceeds we raise (and any leverage we employ); we cannot determine these amounts at the present time.
<i>Operational Stage</i>		
<i>Construction and Development Fee – Manager</i>	A construction oversight and development management fee of 5% of the total development costs, excluding land. However, we do not intend to charge such development management fee unless our Manager is acting as developer or co-developer of the project. Our Manager may, in its sole discretion, waive its development management fee, in whole or in part. Our Manager will forfeit any portion of the development management fee that is waived.	Actual amounts are dependent upon the total development costs; we cannot determine this amount at the present time.
<i>Leasing Fee – Manager</i>	A leasing management fee of 3% of the base rent for the initial term of any lease of the properties or a portion thereof; 1% of the base rent for the renewal term of any lease of the properties or a portion thereof. However, we do not intend to charge such leasing fee unless our Manager is performing leasing management services for the project. Our Manager may, in its sole discretion, waive its leasing management fee, in whole or in part. Our Manager will forfeit any portion of the leasing management fee that is waived.	Actual amounts are dependent upon the amount of base rent; we cannot determine this amount at the present time.

Form of Compensation and Recipient	Determination of Amount	Estimated Amount
<i>Guaranty Fee - Manager</i>	1.0% of the principal amount of any recourse loan greater than \$1,000,000 as to which the Manager or any of its affiliates must deliver a payment guaranty.	Actual amounts are dependent upon the amount of the recourse loans subject to a payment guaranty; we cannot determine this amount at the present time.
<i>Reimbursement of Special Servicing Expenses – Manager</i>	We reimburse our Manager for actual expenses incurred on our behalf in connection with the special servicing of non-performing assets. Whether an asset is deemed to be non-performing is in the sole discretion of our Manager.	Actual amounts are dependent upon the occurrence of an asset becoming non-performing, the original value of such asset, and the results of our operations; we cannot determine these amounts at the present time.
<i>Reimbursement of Other Operating Expenses – Manager and General Partner</i>	<p>We will reimburse our Manager and our General Partner for out-of-pocket expenses paid to third parties in connection with providing services to us, including employee chargebacks and employee costs incurred by affiliates of our Manager and our General Partner.</p> <p>The expense reimbursements that we will pay to our General Partner and Manager also include expenses incurred by our sponsor in the performance of services under the shared services agreement among our General Partner, Manager and sponsor, including any increases in insurance attributable to the management or operation of the Fund.</p>	Actual amounts are dependent upon the results of our operations; we cannot determine these amounts at the present time.
<i>Liquidation/Listing Stage</i>		
<i>Reimbursement of Equity Liquidation Expenses – Manager</i>	We reimburse our Manager for actual expenses incurred on our behalf in connection with the liquidation of equity investments in real estate. Whether to liquidate an equity investment in real estate is in the sole discretion of our Manager.	Actual amounts are dependent upon the liquidation of a real estate asset, and the results of our operations; we cannot determine these amounts at the present time.
<i>Disposition/Liquidation Fee – Manager</i>	1% of the gross sales price of each asset to the extent that our Manager is acting as the real estate operator or co-operator in charge of managing the marketing and sale of the property to a third party.	Actual amounts are dependent upon the gross sales price; we cannot determine this amount at the present time.

PRINCIPAL UNITHOLDERS

The following table sets forth the beneficial ownership of our common units as of the date of this PPM for each person or group that holds more than 5% of our common units, for each director and executive officer of our General Partner and Manager and for the directors and executive officers of our General Partner and Manager as a group. To our knowledge, each person that beneficially owns our common units has sole voting and disposition power with regard to such units.

Unless otherwise indicated below, each person or entity has an address in care of our principal executive offices at 1601 Connecticut Avenue, NW, Suite 300, Washington, D.C. 20009.

Name of Beneficial Owner(1)	Number of Units Beneficially Owned	Percent of All Units
Rise Companies Corp. (2)(3).....	500	100%
Fundrise Opportunity Fund GP, LLC (2)(3).....	100	20%
Fundrise Advisors, LLC (2)(3)	400	80%
Benjamin S. Miller.....	0	0
Brandon T. Jenkins	0	0
Bjorn J. Hall	0	0
All directors and executive officers of our General Partner and Manager as a group (3 persons)	0	0%

- (1) Under SEC rules, a person is deemed to be a “beneficial owner” of a security if that person has or units “voting power,” which includes the power to dispose of or to direct the disposition of such security. A person also is deemed to be a beneficial owner of any securities which that person has a right to acquire within 60 days. Under these rules, more than one person may be deemed to be a beneficial owner of the same securities and a person may be deemed to be a beneficial owner of securities as to which he or she has no economic or pecuniary interest.
- (2) As of the date of this PPM, our General Partner, Fundrise Opportunity Fund GP, LLC (100 common units) and our Manager, Fundrise Advisors, LLC (400 common units), own all of our issued and outstanding common units. Rise Companies Corp. is the beneficial owner of 100% of our General Partner and Manager.
- (3) All voting and investment decisions with respect to our common units that are held by our General Partner and Manager are controlled by the board of directors of Rise Companies Corp. The board is comprised of four (4) members, with two (2) elected by the common stockholders, one (1) elected by the Series A preferred stockholders, and one (1) elected by all of the stockholders voting as a single class. As of the date of this PPM, the members of the board of directors of Rise Companies Corp. are (i) Benjamin Miller (who is also the Chief Executive Officer and Interim Chief Financial Officer and Treasurer of Rise Companies Corp.) and Brandon Jenkins (who is also the Chief Operating Officer of Rise Companies Corp.), who are the board members elected by the common stockholders; (ii) Joseph Chen, who is the board member elected by the Series A preferred stockholders; and (iii) Tal Kerret, who is the board member elected by all the stockholders voting as a single class. As of the date of this PPM, the following persons own capital stock of Rise Companies Corp.:
 - Benjamin Miller and Daniel Miller, who are brothers, beneficially own units of capital stock of Rise Companies Corp. that entitle each of them to approximately 48.7% of the vote of the common stockholders, approximately 5.2% of the vote of the preferred stockholders and approximately 43.7% of the vote of all of the stockholders in the election of board members.
 - GPM: Fundrise, LLC, beneficially owns units of preferred stock of Rise Companies Corp. that entitle it to approximately 8.4% of the vote of the preferred stockholders in the election of board members. Other than its beneficial ownership of units of preferred stock, GPM: Fundrise, LLC is not affiliated with Rise or its directors or executive officers.

- Oak Pacific Investment (“OPI”) beneficially owns units of preferred stock of Rise Companies Corp. that entitle it to approximately 66.2% of the vote of the preferred stockholders in the election of board members, which effectively entitle OPI to one board seat.

As of the date of this PPM, other than the persons listed above, no other stockholder of Rise Companies Corp. beneficially owns units of capital stock that entitle such stockholder to more than 5% of the voting power held by the common stockholders, the preferred stockholders, or all the stockholders voting as a single class. All of the foregoing stockholders, directors and executive officers disclaim beneficial ownership of our common units that are owned by Rise Companies Corp.

CONFLICTS OF INTEREST

We are subject to various conflicts of interest arising out of our relationship with our General Partner, our Manager and their affiliates. We discuss these conflicts below and conclude this section with a discussion of the corporate governance measures we have adopted to mitigate some of the risks posed by these conflicts.

Our Affiliates' Interests in Other Fundrise Entities

General

The officers and directors of our General Partner and our Manager and the key real estate professionals of our sponsor who perform services for us on behalf of our General Partner and our Manager are also officers, directors, managers, and/or key professionals of our sponsor and other Fundrise entities. These persons have legal obligations with respect to those entities that are similar to their obligations to us. In the future, these persons and other affiliates of our sponsor may organize other real estate-related or debt-related programs and acquire for their own account real estate-related investments that may be suitable for us. In addition, our sponsor may grant equity interests in our General Partner and our Manager to certain management personnel performing services for our General Partner and our Manager.

Our General Partner and our Manager may acquire assets from or engage in transactions with its affiliates, under common control but not common ownership, in order to facilitate our management and execution of our investment objectives, including providing take out equity financing, selling, purchasing and contracting for services from affiliates of our General Partner and our Manager.

Payment of Certain Fees and Expenses of our General Partner and our Manager

Our Manager and our General Partner are wholly-owned subsidiaries of our sponsor. We will pay fees and expenses to our General Partner and our Manager, and their affiliates, including our sponsor, that were not determined on an arm's length basis. The investment management fee and the tax and accounting management fee paid to our Manager will, after December 31, 2021, be based on our NAV, which will be calculated by our sponsor's internal accountants and asset management team. Our General Partner and our Manager may benefit by us retaining ownership of our assets at times when our unitholders may be better served by the sale or disposition of our assets in order to avoid a reduction in our NAV.

Allocation of Investment Opportunities

Our sponsor's real estate professionals acting on behalf of our Manager must determine which investment opportunities to recommend to us and other Fundrise entities. Our Manager and its affiliates may allocate investments that are located in Opportunity Zones between us and other funds formed by our sponsor. Our sponsor has previously organized, as of the date of this PPM, seven eREITs™ and three eFunds™ as follows:

- The Income eREIT™, which was formed to originate, invest in and manage a diversified portfolio of commercial real estate investments through the acquisition of commercial real estate loans;
- The Income eREIT™ II which was formed to originate, invest in and manage a diversified portfolio of commercial real estate investments through the acquisition of commercial real estate loans;
- The Growth eREIT™, which was formed to originate, invest in and manage a diversified portfolio of commercial real estate properties;
- The Growth eREIT™ II, which was formed to originate, invest in and manage a diversified portfolio of commercial real estate properties;
- The Heartland eREIT™, which was formed to originate, invest in and manage a diversified portfolio primarily consisting of investments in multifamily rental properties and development projects located primarily in the Houston, TX, Dallas, TX, Austin, TX, Chicago, IL, and Denver, CO metropolitan statistical areas;

- The West Coast eREIT™, which was formed to originate, invest in and manage a diversified portfolio primarily consisting of investments in multifamily rental properties and development projects located primarily in the Los Angeles, CA, San Francisco, CA, San Diego, CA, Seattle, WA, and Portland, OR metropolitan statistical areas;
- The East Coast eREIT™, which was formed to originate, invest in and manage a diversified portfolio primarily consisting of investments in multifamily rental properties and development projects located primarily in the states of Massachusetts, New York, New Jersey, North Carolina, South Carolina, Georgia and Florida, as well as the metropolitan statistical areas of Washington, DC and Philadelphia, PA;
- The LA Homes eFund™, which was formed to acquire property for the development of for-sale housing in the Los Angeles, CA metropolitan statistical area;
- The DC Homes eFund™, which was formed to acquire property for the development of for-sale housing in the Washington, DC metropolitan statistical area; and
- The National For-Sale eFund™, which was formed to acquire property for the development of for-sale housing in the metropolitan statistical areas in which our sponsor is not currently sponsoring another regionally or locally focused eFund™, or to acquire assets in such regions that are not currently the focus of another eFund.

If a sale, financing, investment or other business opportunity would be suitable for more than one program, our sponsor will allocate it using its business judgment. Any allocation of this type may involve the consideration of a number of factors that our sponsor determines to be relevant. The factors that our sponsor's real estate professionals could consider when determining the entity for which an investment opportunity would be the most suitable include the following:

- the investment objectives and criteria of our sponsor and the other Fundrise entities;
- the cash requirements of our sponsor and the other Fundrise entities;
- the effect of the investment on the diversification of our sponsor's or the other Fundrise entities' portfolio by type of investment, and risk of investment;
- the policy of our sponsor or the other Fundrise entities relating to leverage;
- the anticipated cash flow of the asset to be acquired;
- the income tax effects of the purchase on our sponsor or the other Fundrise entities;
- the size of the investment; and
- the amount of funds available to our sponsor or the Fundrise entities.

If a subsequent event or development causes any investment, in the opinion of our sponsor's real estate professionals, to be more appropriate for another Fundrise entity, they may offer the investment to such entity.

Except under any policies that may be adopted by our Manager, which policies will be designed to minimize conflicts among the programs and other investment opportunities provided on the Fundrise Platform, no Fundrise Platform investment opportunity (including us) will have any duty, responsibility or obligation to refrain from:

- engaging in the same or similar activities or lines of business as any program or Fundrise Platform investment opportunity;
- doing business with any potential or actual tenant, lender, purchaser, supplier, customer or competitor of any program or Fundrise Platform investment opportunity;

- engaging in, or refraining from, any other activities whatsoever relating to any of the potential or actual tenants, lenders, purchasers, suppliers or customers of any program or Fundrise Platform investment opportunity;
- establishing material commercial relationships with another program or Fundrise Platform investment opportunity; or
- making operational and financial decisions that could be considered to be detrimental to another program or Fundrise Platform investment opportunity.

In addition, any decisions by our Manager to renew, extend, modify or terminate an agreement or arrangement, or enter into similar agreements or arrangements in the future, may benefit one program more than another program or limit or impair the ability of any program to pursue business opportunities. In addition, third parties may require as a condition to their arrangements or agreements with or related to any one particular program that such arrangements or agreements include or not include another program, as the case may be. Any of these decisions may benefit one program more than another program.

Allocation of Our Affiliates' Time

We rely on our sponsor's key real estate professionals who act on behalf of our Manager, including Mr. Benjamin S. Miller, for the day-to-day operation of our business. Mr. Benjamin S. Miller is also the Chief Executive Officer of our sponsor and other Fundrise entities. As a result of his interests in other Fundrise entities, his obligations to other investors and the fact that he engages in and will continue to engage in other business activities on behalf of himself and others, Mr. Benjamin S. Miller will face conflicts of interest in allocating his time among us, our Manager, our General Partner and other Fundrise entities and other business activities in which he is involved. However, we believe that our Manager, our General Partner and their affiliates have sufficient real estate professionals to fully discharge their responsibilities to the Fundrise entities for which they work.

Receipt of Fees and Other Compensation by our General Partner, our Manager and their Affiliates

Our General Partner, our Manager and their affiliates will receive substantial fees from us, which fees will not be negotiated at arm's length. These fees could influence our General Partner's or our Manager's advice to us as well as the judgment of affiliates of our General Partner and our Manager, some of whom also serve as our General Partner's and/or our Manager's officers and directors and the key real estate professionals of our sponsor. Among other matters, these compensation arrangements could affect their judgment with respect to:

- the continuation, renewal or enforcement of provisions in our limited partnership agreement involving our General Partner and its affiliates, or the shared services agreement among our Manager, our General Partner and our sponsor;
- the continuation, renewal or enforcement of provisions in the Investment Management Agreement between us and our Manager;
- offerings of equity by us, which will likely entitle our General Partner and our Manager to increased acquisition fees, investment management fees and other fees;
- acquisitions of investments at higher purchase prices, which entitle our General Partner and our Manager to higher acquisition fees and investment management fees regardless of the quality or performance of the investment and, in the case of acquisitions of investments from other Fundrise entities, might entitle affiliates of our General Partner or our Manager to disposition fees in connection with services for the seller;
- borrowings up to or in excess of our stated borrowing policy to acquire investments, which borrowings will increase investment management fees payable by us to our Manager;
- whether and when we seek to list our common units on a stock exchange or other trading market;

- whether we seek unitholder approval to internalize our management, which may entail acquiring assets (such as office space, furnishings and technology costs) and the key real estate professionals of our sponsor who are performing services for us on behalf of our General Partner and/or our Manager for consideration that would be negotiated at that time and may result in these real estate professionals receiving more compensation from us than they currently receive from our sponsor;
- whether and when we seek to sell the Fund or its assets; and
- whether and when we merge or consolidate our assets with other companies, including companies affiliated with our General Partner and our Manager.

Duties Owed by Some of Our Affiliates to Our General Partner, our Manager and their Affiliates

Our General Partner’s and our Manager’s officers and directors and the key real estate and debt finance professionals of our sponsor performing services on behalf of our General Partner and our Manager are also officers, directors, managers and/or key professionals of:

- Rise Companies Corp., our sponsor;
- Fundrise Advisors, LLC, our Manager;
- Fundrise, LLC, the owner of the Fundrise Platform;
- other investment programs sponsored by our sponsor; and
- other Fundrise entities (see “Prior Performance Summary”).

As a result, they owe duties to each of these entities, their unitholders, members and limited partners. These duties may from time to time conflict with the duties that they owe to us.

No Independent Underwriter

As we are conducting this offering without the aid of an independent underwriter, you will not have the benefit of an independent due diligence review and investigation of the type normally performed by an independent underwriter in connection with the offering of securities. See “Plan of Distribution.”

License Agreement

We will enter into a license agreement with our sponsor effective upon the commencement of this offering, pursuant to which our sponsor will grant us a non-exclusive, royalty free license to use the name “Fundrise”. See “Management—License Agreement”.

Certain Conflict Resolution Measures

Independent Representative

If our sponsor, General Partner, Manager or their affiliates have a conflict of interest with us that is not otherwise covered by an existing policy we have adopted or a transaction is deemed to be a “principal transaction”, the Manager will appoint an independent representative (the “Independent Representative”) to protect the interests of the unitholders and review and approve such transactions. Any compensation payable to the Independent Representative for serving in such capacity on our behalf will be payable by us. Principal transactions are defined as transactions between our sponsor, Manager or their affiliates, on the one hand, and us or one of our subsidiaries, on the other hand. Our Manager is only authorized to execute principal transactions with the prior approval of the Independent Representative and in accordance with applicable law. Such prior approval may include but not be limited to pricing methodology for the acquisition of assets and/or liabilities for which there are no readily observable market prices.

Our Manager has appointed Tom Ross to serve as the independent representative (the “Independent Representative”) for the Fund, to protect the interests of the unitholders and review and approve any transactions in which our sponsor, General Partner, Manager or their affiliates have a conflict of interest with us or a transaction deemed to be a “principal transaction”.

Mr. Ross began his career in Public Service, serving in a number of posts in State and Federal government. He served as Comptroller of a \$12 billion Federal Agency, Regional Administrator for the Midwest for the Employment and Training Administration, and as a member of Illinois Gov. James Thompson’s cabinet as the Director of a 5,000 person state agency. In 1980, he joined Arthur Andersen & Co. in the consulting practice, and was elected a partner in 1982. As the leader of Andersen’s government consulting group, he grew the practice revenues from \$250 million to \$500 million in three years

Mr. Ross joined McKinsey and Co. in 1989 as a partner, and was elected a Director in 1991. He served a variety of companies in the retail, technology and financial services industries. He assisted his clients in developing business strategies, evaluating potential acquisitions, and in improving the performance of operating units. In 1998, Mr. Ross formed Potomac Ventures, an early stage venture capital firm, and in 2002 started a second firm focused on acquiring environmental technologies developed in Scandinavia for use in the US. For the last few years, Mr. Ross has been a private investor in startup companies and commercial real estate.

Our Manager believes that Mr. Ross is independent based on the criteria for an “interested person” set forth in Section 2(a)(19) of the Investment Company Act.

Our Policies Relating to Conflicts of Interest

In addition to the provisions in our limited partnership agreement described below and our Manager’s investment allocation policies described above, we have adopted the following policies prohibiting us from entering into certain types of transactions with our General Partner, our Manager, our sponsor, their officers or any of their affiliates in order to further reduce the potential for conflicts inherent in transactions with affiliates.

Pursuant to these conflicts of interest policies, we may not engage in the following types of transactions unless such transaction is approved by the Independent Representative:

- sell or lease any investments to our General Partner, our Manager, our sponsor, their officers or any of their affiliates;
- acquire or lease any investments from our General Partner, Manager, our sponsor, their officers or any of their affiliates; and
- invest in or make mortgage loans in which the transaction is with our General Partner, our Manager, our sponsor, their officers or any of their affiliates, including any mortgage loans that are subordinate to any mortgage or equity interest of our General Partner, our Manager, our sponsor, their officers or any of their affiliates.

We may, however, purchase an investment from Fundrise Lending or its affiliates in the event that Fundrise Lending or its affiliates initially acquire an investment that is suitable for us at a time when we are unable to do so, with the intention of providing us the opportunity to acquire the investment at a later date when we are able to acquire the investment. As required by our limited partnership agreement, we will not purchase investments from Fundrise Lending or its affiliates in these circumstances without a determination by the Independent Representative that such transaction is fair and reasonable to us and at a price to us that is not materially greater than the cost of the asset to Fundrise Lending or its affiliate, as applicable.

In addition, pursuant to these conflicts of interest policies, we will neither make any loans to our General Partner, our Manager, our sponsor, their officers or any of their affiliates nor borrow money from our General Partner, our Manager, our sponsor, their officers or any of their affiliates, except as otherwise provided in the PPM or unless approved by the Independent Representative. These restrictions on loans will only apply to advances of cash that are commonly viewed as loans, as determined by the Manager. By way of example only, the prohibition on loans would not restrict advances of cash for legal expenses or other costs incurred as a result of any legal action for

which indemnification is being sought nor would the prohibition limit our ability to advance reimbursable expenses incurred by our General Partner, our Manager, our sponsor, their officers or any of their affiliates.

These conflicts of interest policies may be amended at any time in our Manager's discretion.

Other Limited Partnership Provisions Relating to Conflicts of Interest

Our limited partnership agreement contains many other restrictions relating to conflicts of interest including the following:

Term of our General Partner. Our limited partnership agreement provides that our General Partner will serve as our general partner for an indefinite term, but that our General Partner may be removed by us, or may choose to withdraw as General Partner, under certain circumstances. Our unitholders may remove our General Partner at any time with 30 days prior written notice for "cause," following the affirmative vote of two-thirds of our unitholders. Unsatisfactory financial performance does not constitute "cause" under the limited partnership agreement. Our General Partner may withdraw as general partner if we become required to register as an investment company under the Investment Company Act, with such withdrawal deemed to occur immediately before such event. In the event of the removal of our General Partner, our General Partner will cooperate with us and take all reasonable steps to assist in making an orderly transition of the management function. Our General Partner will determine whether any succeeding General Partner possesses sufficient qualifications to perform the management function. See "Management—Term and Removal of the General Partner".

Other Transactions Involving Affiliates. Before engaging in a transaction involving an affiliate, our General Partner or Manager, as applicable, must conclude that all other transactions between us and our sponsor, our General Partner, our Manager, any of their officers or directors, or any of their affiliates are fair and reasonable to us and on terms and conditions not less favorable to us than those available from unaffiliated third parties. See "Management—Investment Committee of our Manager."

INVESTMENT OBJECTIVES AND STRATEGY

Investment Objectives

Our investment objectives are:

- to invest in Opportunity Zones to capture the potential growth from and tax advantages offered under the Tax Cuts and Jobs Act;
- to realize growth in the value of our investments no earlier than approximately 10 years of the termination of this offering;
- to grow net cash from operations so more cash is available for reinvestment into the fund or for distributions to investors;
- to pursue a mandate of investment growth and tax efficiency; and
- to preserve, protect and return your capital contribution.

We cannot assure you that we will attain these objectives or that the value of our assets will not decrease. Furthermore, within our investment objectives and policies, our Manager will have substantial discretion with respect to the selection of specific investments and the purchase and sale of our assets. Our Manager's investment committee will review our investment guidelines at least annually to determine whether our investment guidelines continue to be in the best interests of our unitholders.

Investment Strategy

We intend to use substantially all of the proceeds of this offering to originate, acquire, asset manage, operate, selectively leverage, syndicate and opportunistically sell commercial real estate properties in targeted Opportunity Zones. We intend to acquire and operate real estate and real estate-related assets on an opportunistic basis within select Opportunity Zones. We intend to focus on acquiring Qualified Property with significant possibilities for capital appreciation, such as those requiring development, redevelopment or repositioning and those located in Opportunity Zone markets with high growth potential. We intend to hold at least 90% of our assets as Qualified Property.

Our management has extensive experience investing in numerous types of properties. Thus, we may acquire a wide variety of commercial properties, including multifamily, office, industrial, retail, hospitality, recreation and leisure, single-tenant, single family rental housing, and other real properties. These properties may be existing, income-producing properties, newly constructed properties or properties under development or construction and may include multifamily properties purchased for conversion into condominiums and single-tenant properties that may be converted for multifamily use. We also may invest in real estate-related securities, including securities issued by other real estate companies, either for investment or in change of control transactions completed on a negotiated basis or otherwise. In addition, to the extent that our Manager and its investment committee determines that it is advantageous, we also may invest in Code Section 1031 tenant-in-common interests.

We may enter into one or more joint ventures, tenant-in-common investments or other co-ownership arrangements for the acquisition, development or improvement of properties with third parties or affiliates of our General Partner and Manager, including present and future real estate investment offering and REITs sponsored by affiliates of our sponsor.

We expect to employ leverage to enhance total returns to our unitholders with a target portfolio-wide leverage after we have acquired an initial substantial portfolio of diversified investments of between 50-75% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our assets. However, we may deploy less leverage than our target amount during the period prior to December 31, 2026. Under the tax code, on December 31, 2026, taxes on investors' deferral of capital gains related to their initial Opportunity Fund investment

is to be recognized and due. Our goal is to seek a financing on or before 2026, or early 2027, in order to create liquidity for our investors so that they have the necessary capital to pay the taxes likely due then; however, there can be no assurances that we will be successful in this endeavor. See “-Borrowing Policy” below.

In executing on our business strategy, we believe that we will benefit from our General Partner’s and Manager’s affiliation with our sponsor given our sponsor’s strong track record and extensive experience and capabilities as an online real estate origination and funding platform. These competitive advantages include:

- Our sponsor’s experience and reputation as a leading real estate investment manager, which historically has given it access to a large investment pipeline similar to our targeted assets and the key market data we use to underwrite and portfolio manage assets;
- Our sponsor’s direct and online origination capabilities, which are amplified by a proprietary technology platform, business process automation, and a large user base, of which a significant portion are seeking capital for real estate projects;
- Our sponsor’s relationships with financial institutions and other lenders that originate and distribute commercial real estate debt and other real estate-related products and that finance the types of assets we intend to acquire and originate;
- Our sponsor’s experienced portfolio management team which actively monitors each investment through an established regime of analysis, credit review and protocol; and
- Our sponsor’s management team which has a successful track record of making commercial real estate investments in a variety of market conditions.

Investment Decisions and Asset Management

We will enter into an Investment Management Agreement with our Manager. Within our investment policies and objectives, our Manager’s investment committee will have substantial discretion with respect to the selection of specific investments and the purchase and sale of our assets. We believe that successful real estate investment requires the implementation of strategies that permit favorable purchases and originations, effective asset management and timely disposition of those assets. As such, our Manager and sponsor have developed a disciplined investment approach that combines the experience of our sponsor’s team of real estate professionals with a structure that emphasizes thorough market research, stringent underwriting standards and an extensive down-side analysis of the risks of each investment. The approach also includes active and aggressive management of each asset acquired.

We believe that active management is critical to creating value. We will work with our Manager to develop a well-defined exit strategy for each investment we make. Specifically, we will assign an exit or refinance timeline to each asset we acquire prior to its purchase as part of the original business plan for the asset. We will then continually re-evaluate the exit strategy of each asset in response to the performance of the individual asset, market conditions and our overall portfolio objectives to determine the optimal time to sell the asset.

To execute our disciplined investment approach, a team of our sponsor’s real estate professionals will take responsibility for the business plan of each investment. The following practices summarize our investment approach:

- *Local Market Research* – The sponsor’s investment team extensively researches the acquisition and/or origination and underwriting of each transaction, utilizing both real time market data and the transactional knowledge and experience of our network of professionals and in market relationships.
- *Underwriting Discipline* – We follow a tightly controlled and managed process to examine all elements of a potential investment, including, with respect to real property, its location, income-producing capacity, prospects for long-range appreciation, income tax considerations and liquidity. Only those assets meeting our investment criteria will be accepted for inclusion in our portfolio. In an effort to keep an asset in compliance with those standards, the sponsor’s underwriting team remains involved through the investment life cycle of the asset and

consults with the other internal professionals responsible for the asset. This team of experts reviews and develops comprehensive reports for each asset throughout the holding period.

- *Risk Management* – Risk management is a fundamental principle in our construction of portfolios and in the management of each investment. Diversification of portfolios by investment type, investment size and investment risk is critical to controlling portfolio-level risk. Operating or performance risks arise at the investment level and often require real estate operating experience to cure. Our sponsor’s real estate professionals review the operating performance of investments against projections and provide the oversight necessary to detect and resolve issues as they arise.

- *Asset Management* – Prior to the purchase of an individual asset or portfolio, the Manager works closely with the acquisition and underwriting teams to develop an asset business strategy. This is a forecast of the action items to be taken and the capital needed to achieve the anticipated returns. We review asset business strategies regularly to anticipate changes or opportunities in the market during a given phase of a real estate cycle. We have designed this process to allow for realistic yet aggressive enhancement of value throughout the investment period.

Targeted Rate of Return

We will target a net 10-12% annual compounded internal rate of return on our investments over a minimum ten year anticipated holding period, a portion of which is expected to be comprised of current income, after our payment of fees, expenses and the Management Incentive Allocation to the Manager. Prospective investors should bear in mind that this is a target return rather than actual returns, and we may experience substantial loss. There can be no assurance that our target returns will be achieved. The target returns established by us take into consideration a variety of assumptions, and there is no guarantee that the assumptions upon which the target returns are based will materialize.

Market Opportunity: An Overview of the Opportunity Zones Program

The TCJA on December 22, 2017 created new sections of the Code (Sections 1400Z-1 and 1400Z-2) that provide tax incentives for investments in targeted areas in the United States through investment vehicles called Opportunity Funds. Opportunity Funds could be a major catalyst to spur the redevelopment of American communities and growth across the country. The purpose of this new investment vehicle is to help direct resources to Opportunity Zones. The program allows investors to defer, reduce, and eliminate federal tax on various capital gains by investing gains into an Opportunity Fund.

Note, however, that as of the date of this PPM, there is uncertainty regarding the qualified opportunity zone program, as the U.S. Department of the Treasury (“Treasury”) has not released guidance to many of the questions left open by the legislation. Chief among such open questions are: (a) what kind of gains, other than capital gains, if any, can be properly rolled into an Opportunity Fund, (b) how much time does an Opportunity Fund have to deploy the capital it has raised and (c) tax treatment of gains in an Opportunity Fund held through a pass-through entity, such as a partnership. Accordingly, the discussion below of various aspects of the Opportunity Zone program is based upon positions that our sponsor believes to be reasonable given the statute as currently written and prior Treasury and IRS precedent; however, there can be no assurance that the discussion below will ultimately prove to be correct as Treasury begins issuing guidance on these various matters.

The key aspects of the program are:

Opportunity Zones – Opportunity Zones are census tracts nominated by governors and certified by the Treasury into which investors can invest in new projects to spur economic development in exchange for certain federal capital gains tax advantages.

Opportunity Funds – Opportunity Funds are investment vehicles that invest at least 90% of their capital in Qualified Property, which includes qualified opportunity zone stock, qualified opportunity zone partnerships interests and qualified opportunity zone business property. The fund model enables a broad array of investors to pool their resources in Qualified Property, increasing the scale of capital going to investments in which the Fund will invest.

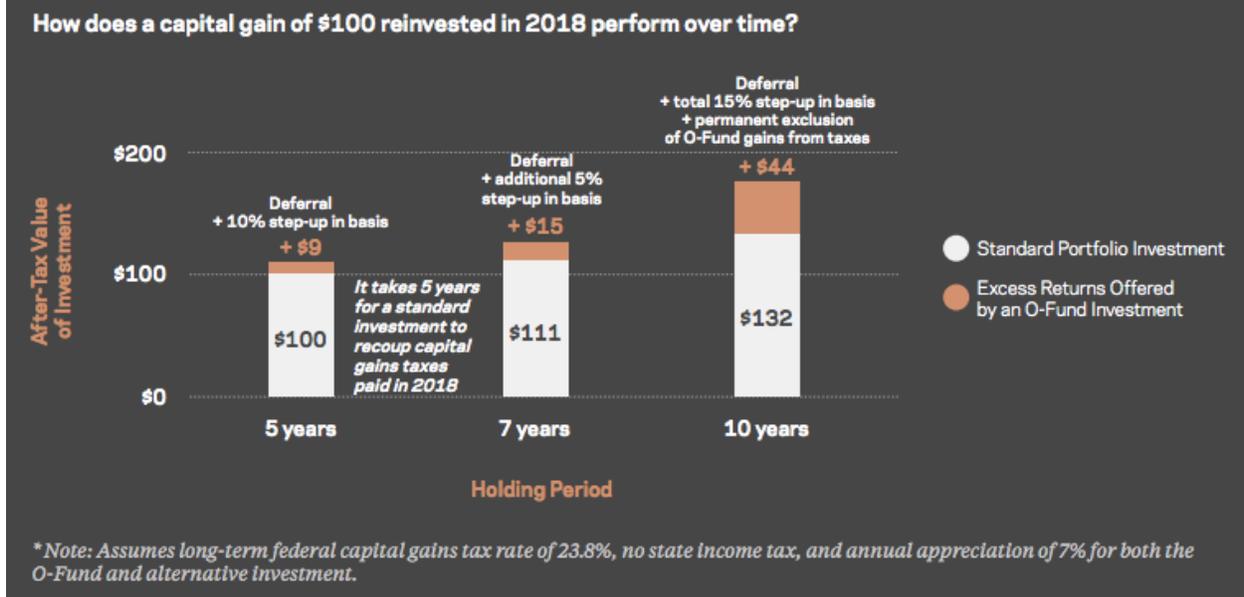
To capture the potential tax benefits offered by an Opportunity Fund, an investor must invest the gains from a sale or exchange of a prior investment into an Opportunity Fund within 180 days after the sale of that investment (e.g., stock, bonds or real estate). The investor only has to roll over the gain or profit from the sale or exchange of the investment into an Opportunity Fund, but not the original principal of the investment. In other words, if an investor realizes a gain from the sale or exchange of an investment to an unrelated party, the investor has 180 days from the date of disposition to reinvest the amount of that gain into an Opportunity Fund. Note, however, that while we believe it is reasonable that capital gains from each of these assets are eligible for the benefits of an Opportunity Fund investment, absent additional guidance from the Treasury, there remains uncertainty as to which gains are eligible

Investing in Opportunity Funds can provide the following three key potential tax incentives to investors:

1. **Deferral of qualifying gain:** A tax deferral for any qualifying gains reinvested in an Opportunity Fund. The deferred gain would be recognized on the earlier of December 31, 2026 or the date on which the interest in the Opportunity Fund is sold.
2. **Reduction of the amount of gain recognized:** A step-up in in basis for qualifying gains reinvested in an Opportunity Fund. The basis of the original investment is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years (before December 31, 2026), and by an additional 5% if held for at least 7 years (before December 31, 2026), excluding up to 15% of the original gain from taxation. In other words, if by December 31, 2026 an investor has held an investment in an Opportunity Fund for 7 years, then the tax on the initially deferred gain is expected to be reduced by 15%, or by 5% if held for only five years.
3. **No tax on any gains from an investment in an Opportunity Fund:** Additional gains beyond the initially deferred gain from the sale of an investment in an Opportunity Fund would receive a permanent elimination from federal capital gains taxes, provided that the investment is held for at least 10 years.

To receive the most potentially favorable tax treatment under Code Section 1400Z-2, investors are incentivized to hold their interest in an Opportunity Fund over the long-term, providing the most potential tax-related upside to those who hold their investment for 10 years or more.

Figure 1. Incentives Offered by the Opportunity Zones Program



The figure above and table below, produced by the Economic Innovation Group, a bipartisan public policy organization founded to address America’s most pressing economic challenges, illustrate how an investor’s potential after-tax returns compare under different scenarios, assuming various holding periods, annual investment appreciation of 7%, and a long-term capital gains tax rate of 23.8% (federal capital gains tax of 20% and net investment income tax of 3.8%). For example, after 10 years an investor will see an additional \$44 for every \$100 of capital gains reinvested into an Opportunity Fund in 2018 compared to an equivalent investment in a more traditional stock portfolio generating the same annual appreciation. Table 1 and the examples that follow provide additional information on the tax liabilities and differences in the after-tax annual rates of return. Note, however, that the performance assumptions shown below are for illustrative purposes only, and are not intended to reflect the actual experience of any individual investor.

Table 1. How Investing in an Opportunity Fund Compares to a Traditional Stock Portfolio

Scenario: A Capital Gain of \$100 is Reinvested in 2018

Holding Period	Appreciation Rate	Investment in a Stock Portfolio		Investment in an Opportunity Fund		Difference in After-Tax Annual Rate of Return
		Total Tax Liability	After-Tax Funds Available	Total Tax Liability	After-Tax Funds Available	
5 Years	7%	\$31	\$100	\$31	\$109	1.9%
7 Years	7%	\$35	\$111	\$35	\$126	1.8%
10 years	7%	\$41	\$132	\$20	\$176	3.0%

Our Business Plan - The Fund intends to acquire, improve, and manage a portfolio of real estate properties, but in order to be treated as Qualified Property under the Opportunity Zone program, our investments must follow clearly circumscribed requirements, including (among others):

- At least 90% of our assets must be located and invested in property located in Opportunity Zones;

- Qualifying assets must be equity investments, not debt; and
- The original use of such property commences with the Fund or we substantially improve the property, which we believe in practice means a focus on value-add renovations or development deals.

Over the coming months, the IRS and Treasury plan to release guidance on the implementation of the new Opportunity Zone program. The General Partner and the Manager intend to follow these updates closely in order to maintain compliance and refine the structure and operations of the Fund to take advantage of the incentives offered under the program to the extent possible.

A Focus on Real Estate in Opportunity Zones

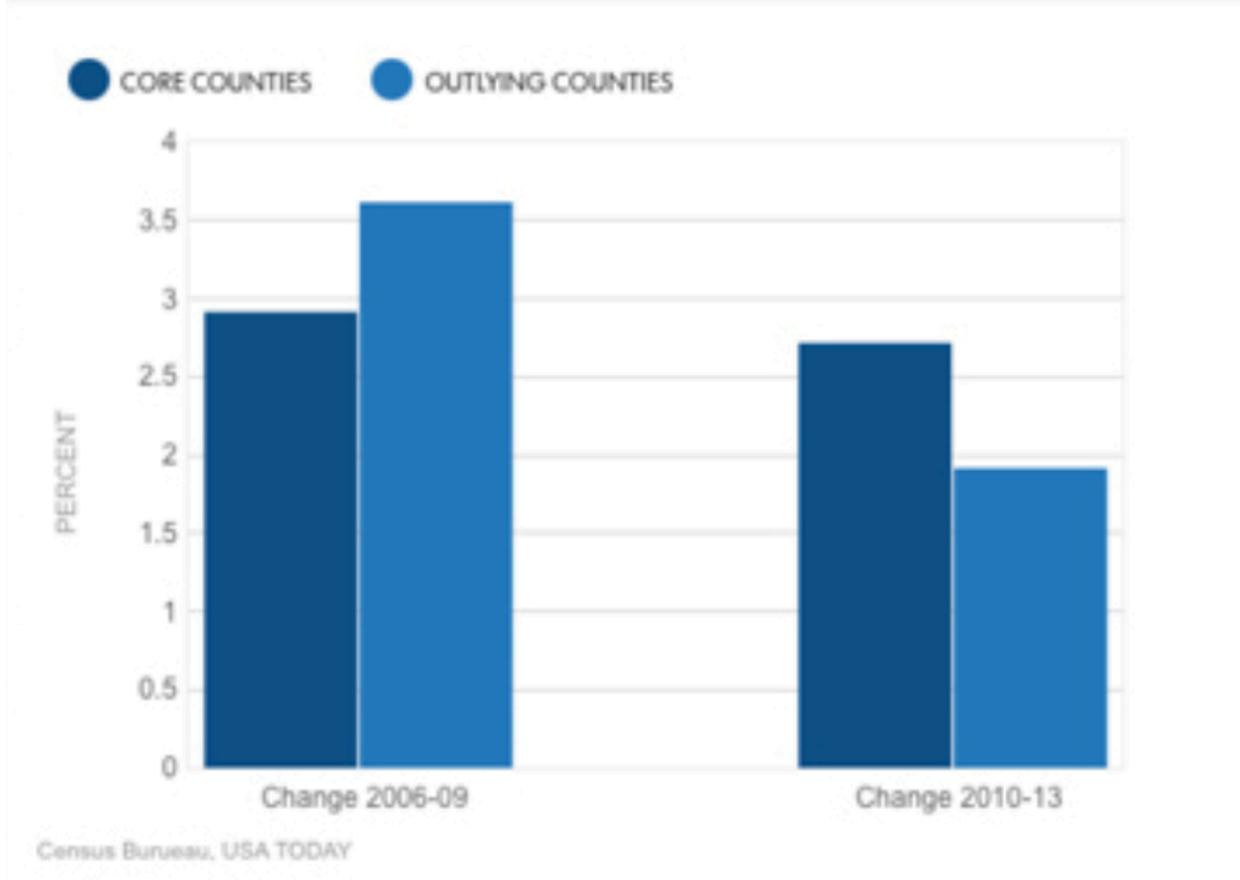
We believe that the near and intermediate-term market for investment in targeted commercial real estate properties, commercial real estate equity investments, joint venture equity investments, and other real-estate related assets in select Opportunity Zones is compelling from a risk-return perspective. We favor a strategy weighted toward targeting equity investments with significant potential value creation in emerging neighborhoods with an emphasis on major metropolitan markets where the Manager has already been actively investing, in particular Los Angeles, Washington DC, Seattle, San Francisco, Atlanta, Denver, Portland, Chicago, Dallas, and Austin. In contrast, returns typically associated with core real estate properties in downtown gateway markets, and stabilized trophy assets have generally become over-priced in the pursuit of safety over value. We believe that our investment strategy, combined with the experience and expertise of our sponsor's management team, will provide opportunities to originate investments with attractive long-term equity returns and strong structural features with local, joint venture real estate companies, thereby taking advantage of changing market conditions in order to seek the best risk-return dynamic for our unitholders.

We believe that the following market conditions, which are by-products of changing demographics and the extended credit market dislocation, should create a favorable investment environment for us.

Population growth has shifted dramatically to urban environments, which over the past 20 years has consistently increased demand for property in areas often neglected or emerging in character of the neighborhoods. Between 2000 and 2010, more than a million baby boomers moved out of areas 40 to 80 miles from city centers and a similar number moved to within five miles of city centers, according to an analysis of 50 large cities by the online real estate brokerage Redfin. According to the Census Bureau, urban growth is rapidly outpacing suburban areas: (1) the nation's metro areas grew by about 2.3 million to 269.9 million people in 2013; (2) about three in four metro areas gained population between 2012 and 2013 — of 381, only 92 lost population; and (3) in all but five of the 50 fastest-growing metro areas, the largest contributor to growth was net migration, not higher birth rates. These urban markets have historically been the focus of the previous investments and experience of our Manager's management team.

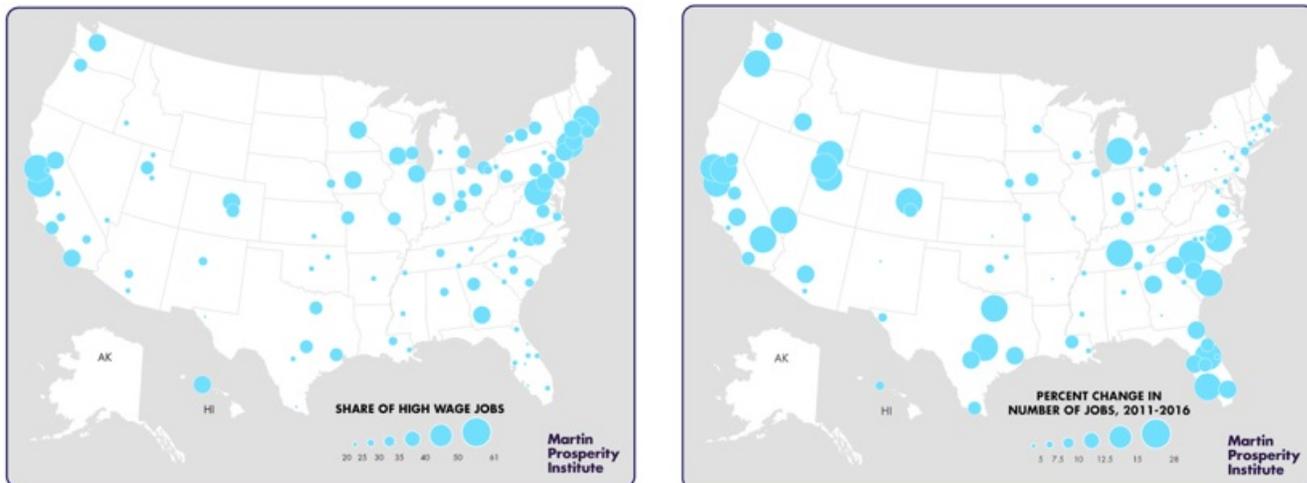
BACK TO THE CITY

Population growth has been shifting to the core counties of the USA's 381 metro areas, especially since the economic recovery began in 2010.



Moreover, we believe Millennials compared to previous generations have also shown a preference for major metropolitan urban locations, which should continue to drive growth in more affordable, emerging neighborhoods. According to a report by the City Observatory in October 2014, approximately 25% more young college graduates live in major metropolitan areas today than in 2000. All the 51 biggest metros except Detroit have gained young talent, either from net migration to the cities or from residents graduating from college. According to the same report, in 1980, young adults were 10% more likely than other people to live in urban cores. In 2010, they were 51% more likely, and those with college degrees were 126% more likely.

The Millennial flock to cities is likely driven by need for employment commiserate with college degrees. High-wage jobs are continuing to be centered around those same metros which are experiencing job growth.



Source: The Atlantic City Observatory; October 2014

Targeted Investments

Because our intended approach to acquiring and operating real estate and real estate-related assets involves more risk than comparable real estate programs that have utilized leverage to a lesser degree and/or employ more conservative investment strategies, we believe that we have a potential for a higher rate of return than comparable real estate programs. Prior to acquiring an asset, our Manager’s investment committee will perform an individual analysis of the asset to determine whether it meets our investment guidelines, including the probability of sale at an optimum price within our targeted holding period. Our Manager’s investment committee will use the information derived from the analysis in determining whether the asset is an appropriate investment for us.

We intend to invest in a wide variety of commercial properties that will be treated as Qualified Property, including, without limitation, office, industrial, retail, hospitality, recreation and leisure, single-tenant, multifamily and other real properties. These properties may be existing or newly constructed properties, properties under development or construction, properties not yet developed or raw land for development or resale and may include multifamily properties purchased for conversion into condominiums and single-tenant properties that may be converted for multifamily use. In each case, the properties will be identified by us as opportunistic investments. These properties will be identified as such because of their property-specific characteristics or their market characteristics. For instance, properties that may benefit from unique repositioning opportunities or for development or redevelopment that are located in Opportunity Zones with high growth potential may present appropriate investments for us.

In the case of real estate-related investments, we may invest in equity securities such as common stocks, preferred stocks and convertible preferred securities of public or private real estate companies such as other REITs and other real estate operating companies or Code Section 1031 tenant-in-common interests. In each case, these real estate-related assets will have been identified as being Qualified Property that are opportunistic investments with significant possibilities for near-term capital appreciation.

We intend to hold our assets for a period of approximately ten years from the termination of this offering. We believe that holding our assets for this period will enable us to take advantage of the tax incentives available to Opportunity Funds as well as capitalize on the potential for increased income and capital appreciation of such assets while also providing for a level of liquidity consistent with our investment strategy and fund life. Though we will evaluate each of our assets for capital appreciation generally within a targeted holding period of approximately ten years from the termination of this offering, we may consider investing in properties and other assets with a different holding period in the event such investments provide an opportunity for an attractive return in a period that is consistent with the life of our Fund. To the extent that we have earned profits and have related cash flow that does not constitute REIT taxable income (such as, for example, because our REIT taxable income may be reduced by real

estate depreciation deductions), we intend generally to retain the profit inside the Fund rather than distribute it to unitholders. As a result, such profit and cash flow will be intended to be reflected as an increase in NAV, which may eventually be recognized tax-free at a federal-level by unitholders who have elected to invest eligible gains in the Fund under the Opportunity Zone program, when they redeem their units or the Fund is liquidated after the requisite 10-year holding period has been satisfied.

As a result of our flexibility to invest in a variety of types of real estate and real estate-related assets rather than in specific limited asset types, our intent to target assets with significant possibilities for near-term capital appreciation or higher current income, we believe that our investments have the potential to provide a rate of return superior to real estate programs that invest in a limited range of asset types, have a longer targeted holding period, utilize leverage to a lesser degree and/or employ more conservative investment strategies.

In cases where our Manager's investment committee determines that it is advantageous to us to make investments in which our sponsor or its affiliates do not have substantial experience, it is our Manager's investment committee's intention to employ persons, engage consultants or partner with third parties that have, in our Manager's investment committee's opinion, the relevant expertise necessary to assist our Manager's investment committee in its consideration, making and administration of such investments.

Investments in Real Property

In executing our investment strategy with respect to investments in real property, we will seek to invest in assets that will be treated as Qualified Property and that we believe may be repositioned or redeveloped so that they will reach an optimum value after approximately ten years from the termination of this offering. We may acquire properties with lower tenant quality or low occupancy rates and reposition them by seeking to improve the property, tenant quality and occupancy rates and thereby increase lease revenues and overall property value. Further, we may invest in properties that we believe are an attractive value because all or a portion of the tenant leases expire within a short period after the date of acquisition, and we intend to renew leases or replace existing tenants at the properties for improved returns. We may acquire properties in markets that are depressed or overbuilt with the anticipation that, within our targeted holding period, the markets will recover and favorably impact the value of these properties. We may also acquire properties from sellers face time-sensitive deadlines with the expectation that we can achieve better success with the properties. Many of the markets where we will acquire properties may have high growth potential in real estate lease rates and sale prices. To the extent feasible, we will invest in a diversified portfolio of properties in terms of geography, type of property and industry of our tenants that will satisfy our investment objectives of preserving our capital and realizing capital appreciation upon the ultimate sale of our properties. In making investment decisions for us, our Manager's investment committee will consider relevant real estate property and financial factors, including the location of the property, its suitability for any development contemplated or in progress, its income-producing capacity, the prospects for long-range appreciation and its liquidity and income and REIT tax considerations.

We are not limited in the number or size of properties we may acquire or the percentage of net proceeds of this offering that we may invest in a single property. The number and mix of properties we acquire will depend upon real estate and market conditions and other circumstances existing at the time we acquire our properties and the amount of proceeds we raise in this offering.

Our investment in real estate generally will take the form of holding fee title or a long-term leasehold estate, and is expected to be most commonly owned through a special purpose entity with a joint venture partner. We will acquire such interests either directly or indirectly through limited liability companies or through investments in joint ventures, partnerships, co-tenancies or other co-ownership arrangements with third parties, including developers of the properties, or with affiliates of our sponsor. In addition, we may purchase properties and lease them back to the sellers of such properties. Although we will use our best efforts to structure any such sale-leaseback transaction such that the lease will be characterized as a "true lease" so that we will be treated as the owner of the property for U.S. federal income tax purposes, the IRS could challenge such characterization. In the event that any such sale-leaseback transaction is re-characterized as a financing transaction for U.S. federal income tax purposes, deductions for depreciation and cost recovery relating to such property would be disallowed. See "U.S. Federal Income Tax Considerations—Gross Income Tests—Sale-Leaseback Transactions."

Though we intend to diversify our portfolio by geographic location, we expect to focus on Opportunity Zone markets with high growth potential. As a result, our actual investments may result in concentrations in a limited number of geographic regions. We expect to make our investments in or in respect of real estate assets located in the United States.

Our obligation to purchase any property generally will be conditioned upon the delivery and verification of certain documents from the seller or developer, including, where appropriate:

- plans and specifications;
- environmental reports;
- surveys;
- evidence of marketable title subject to such liens and encumbrances as are acceptable to our Manager;
- auditable financial statements covering recent operations of properties having operating histories; and
- title and liability insurance policies.

We do not intend to purchase any property unless and until we obtain what is generally referred to as a “Phase I” environmental site assessment and are generally satisfied with the environmental status of the property. A Phase I environmental site assessment basically consists of a visual survey of the building and the property in an attempt to identify areas of potential environmental concerns, visually observing neighboring properties to assess surface conditions or activities that may have an adverse environmental impact on the property, and contacting local governmental agency personnel and performing a regulatory agency file search in an attempt to determine any known environmental concerns in the immediate vicinity of the property. A Phase I environmental site assessment does not generally include any sampling or testing of soil, groundwater or building materials from the property.

Generally, sellers engage and pay third party brokers or finders in connection with the sale of an asset. However, although we do not expect to do so on a regular basis, we may from time to time compensate third party brokers or finders in connection with our acquisitions.

We may enter into arrangements with the seller or developer of a property whereby the seller or developer agrees that, if during a stated period the property does not generate a specified cash flow, the seller or developer will pay in cash to us a sum necessary to reach the specified cash flow level, subject in some cases to negotiated dollar limitations. In determining whether to purchase a particular property, we may, in accordance with customary practices, obtain an option on such property. The amount paid for an option, if any, is normally surrendered if the property is not purchased and is normally credited against the purchase price if the property is purchased. In purchasing, leasing and developing properties, we will be subject to risks generally incident to the ownership of real estate.

Multifamily and Mixed-Use Properties. We may acquire and develop multifamily and mixed-use properties for rental operations as apartment buildings and/or for conversion into condominiums. In each case, these multifamily and mixed-use communities will meet our investment objectives and may include conventional multifamily properties, such as mid-rise, high-rise, and garden-style properties, as well as student housing and age-restricted properties (typically requiring at least one resident of each unit to be 55 or older). Specifically, we may acquire multifamily assets that may benefit from enhancement or repositioning and development assets. We may purchase or develop any type of residential property, including properties that require capital improvement or lease-up to enhance unitholder returns. Location, condition, design and amenities are key characteristics for apartment communities and condominiums. We intend to focus on Opportunity Zones in major metropolitan areas and other markets and submarkets that are deemed likely to benefit from ongoing population shifts and/or that are poised for high growth potential.

The terms and conditions of any apartment lease that we enter into with our residents may vary substantially; however, we expect that a majority of our leases will be standardized leases customarily used between landlords and

residents for the specific type and use of the property in the geographic area where the property is located. In the case of apartment communities, such standardized leases generally have terms of one year or less. All prospective residents for our apartment communities will be required to submit a credit application.

Office Properties. We may acquire and develop office properties for rental operations. In each case, these office properties will meet our investment objectives and may include low-rise, mid-rise and high-rise office buildings, co-working, and office parks in urban and suburban locations, especially those that are in or near central business districts or have access to transportation. Specifically, we may acquire office properties that may benefit from enhancement or repositioning and development assets. We may purchase or develop any type of office property, including properties that require capital improvement or lease-up to enhance unitholder returns. Location, condition, design and amenities are key characteristics for office properties. We intend to focus on Opportunity Zones in major metropolitan areas and other markets and submarkets that are poised for high growth potential.

The terms and conditions of any office lease that we enter into with our tenants may vary substantially; however, we expect that a majority of our leases will be standardized leases customarily used between landlords and tenants for the specific type and use of the property in the geographic area where the property is located. All prospective tenants for our office properties will be required to submit a credit application.

Retail Properties. We may acquire and develop retail properties for rental operations. In each case, these retail properties will meet our investment objectives and may include malls, power centers, strip centers, urban retail, and single tenant properties with credit or non-credit tenants. Specifically, we may acquire retail properties that may benefit from enhancement or repositioning and development assets. We may purchase or develop any type of retail property, including properties that require capital improvement or lease-up to enhance unitholder returns. Location, condition, design and amenities are key characteristics for retail properties. We intend to focus on Opportunity Zones in major metropolitan areas and other markets and submarkets that are poised for high growth potential.

The terms and conditions of any retail lease that we enter into with our tenants may vary substantially; however, we expect that a majority of our leases will be standardized leases customarily used between landlords and tenants for the specific type and use of the property in the geographic area where the property is located. All prospective tenants for our retail properties will be required to submit a credit application.

Industrial Properties. We may acquire and develop industrial properties for rental operations. In each case, these industrial properties will meet our investment objectives and may include warehouse and distribution facilities, office/warehouse flex properties, research and development properties and light industrial properties. Specifically, we may acquire or develop industrial properties that may benefit from enhancement or repositioning and development assets. We may purchase any type of industrial property, including properties that require capital improvement or lease-up to enhance unitholder returns. Location and condition are key characteristics for industrial properties. We intend to focus on Opportunity Zones in major metropolitan areas and other markets and submarkets that are poised for high growth potential.

The terms and conditions of any industrial lease that we enter into with our tenants may vary substantially; however, we expect that a majority of our leases will be standardized leases customarily used between landlords and tenants for the specific type and use of the property in the geographic area where the property is located. All prospective tenants for our industrial properties will be required to submit a credit application.

Joint Venture Investments. We are likely to enter into joint ventures, partnerships, tenant-in-common investments or other co-ownership arrangements with third parties as well as entities affiliated with our sponsor for the acquisition, development or improvement of properties for the purpose of diversifying our portfolio of assets. We may also enter into joint ventures, partnerships, co-tenancies and other co-ownership arrangements or participations with real estate developers, owners and other third parties for the purpose of developing, owning and operating real properties. A joint venture creates an alignment of interest with a private source of capital for the benefit of our unitholders, by leveraging our acquisition, development and management expertise in order to achieve the following four primary objectives: (1) increase the return on invested capital; (2) acquire and invest in assets in Opportunity Zones; (3) diversify our access to equity capital; (4) “leverage” invested capital to promote our brand and increase market share; and (5) obtain the participation of sophisticated partners in our real estate decisions. In determining whether to invest in a particular joint venture, our Manager’s investment committee will evaluate the

real property that such joint venture owns or is being formed to own under the same criteria described elsewhere in this offering circular for our selection of real property investments.

Other Possible Investments

Although we expect that most of our investments will be of the types described above, we may make other investments, such as other attractive assets or companies in Opportunity Zones that will be treated as Qualified Property. In fact, we may invest in whatever types of interests in real estate- or -related assets that we believe are in our unitholder's best interests. Although we can purchase any type of interest in real estate- or -related assets, our conflicts of interest policy and limited partnership agreement do limit certain types of investments involving our Manager, our sponsor, their officers or any of their affiliates. See "Conflicts of Interest—Certain Conflict Resolution Measures."

Investment Process

Pursuant to the Investment Management Agreement, our Manager has the authority to make all the decisions regarding our investments consistent with the investment guidelines and borrowing policies approved by our Manager's investment committee and subject to the limitations in our limited partnership agreement and the direction and oversight of our Manager's investment committee. Our Manager's investment committee must approve all investments other than investments in commercial real estate. With respect to investments in commercial real estate, our Manager's investment committee intends to adopt investment guidelines that our Manager must follow when acquiring such assets on our behalf without the approval of our Manager's investment committee. We will not, however, purchase or lease assets in which our Manager, any of our officers or any of their affiliates has an interest without a determination by the Independent Representative that such transaction is fair and reasonable to us and at a price to us that is not materially greater than the cost of the asset to the affiliated seller or lessor. In the event that two or more members of the investment committee are interested parties in a transaction, the Independent Representative will consider and vote upon the approval of the transaction. Our Manager's investment committee will formally review at a duly called meeting our investment guidelines on an annual basis and our investment portfolio on a quarterly basis or, in each case, more often as they deem appropriate. Changes to our investment guidelines must be approved by our Manager's investment committee.

Our Manager will focus on the sourcing, acquisition and management of commercial real estate. It will source our investments from new or existing customers, former and current financing and investment partners, third party intermediaries, competitors looking to share risk and investment, securitization or lending departments of major financial institutions.

In selecting investments for us, our Manager will utilize our sponsor's established investment and underwriting process, which focuses on ensuring that each prospective investment is being evaluated appropriately. The criteria that our Manager will consider when evaluating prospective investment opportunities include:

- macroeconomic conditions that may influence operating performance;
- real estate market factors that may influence real estate valuations, real estate lending and/or economic performance of real estate generally;
- fundamental analysis of the real estate, including tenant rosters, lease terms, zoning, operating costs and the asset's overall competitive position in its market;
- real estate and leasing market conditions affecting the real estate;
- the requirements under the tax code for Opportunity Zone programs in order to maintain compliance;
- the appropriateness of estimated costs and timing associated with capital improvements of the real estate;

- a valuation of the investment, investment basis relative to its value and the ability to liquidate an investment through a sale or refinancing of the real estate;
- review of third-party reports, including appraisals, engineering and environmental reports;
- physical inspections of the real estate and analysis of markets; and
- the overall structure of the investment and rights in the transaction documentation.

If a potential investment meets our Manager’s underwriting criteria, our Manager will review the proposed transaction structure, including, with respect to joint ventures, distribution and waterfall criteria, governance and control rights, buy-sell provisions and recourse provisions. Our Manager will evaluate our position within the overall capital structure and our rights in relation to other partners or capital tranches. Our Manager will analyze each potential investment’s risk-return profile and review financing sources, if applicable, to ensure that the investment fits within the parameters of financing facilities and to ensure performance of the real estate asset.

Property Identified for Future Purchase

We have identified 2021 4th Street, NW, Washington DC 20009 (“2021 4th Street”) as the first property that our Operating Partnership intends to acquire. 2021 4th Street was acquired by our sponsor on July 9, 2018 in anticipation of the formation of the Fund and will be transferred to the Fund for the same price at which it was acquired by the sponsor (\$1,200,000) plus associated closing costs. If we have not raised sufficient offering proceeds to purchase the property, our sponsor intends to provide us with a loan to cover the balance of the purchase price as described under See “Investment Objectives and Strategy – Related Party Loans and Warehousing of Assets.” Additional offering proceeds we raise will first be used to repay such loan.

2021 4th Street is an approximately 3,500 square foot vacant building, consisting of two residential units and ground floor retail. The property is located on the corner of Fourth Street NW in the heart of Washington DC’s historic LeDroit Park neighborhood. The property was originally a mixed-use building with neighborhood-serving retail on the first floor and apartments on the second and third. Since that time, the property has slowly deteriorated. The retail portion of the building has been without a certificate of occupancy for nearly 20 years. After we acquire the property, we expect to renovate and substantially improve it within 30 months, including adding an addition of approximately 1,000 square feet, for a total budget of \$2,450,000, including the expected acquisition cost. Such renovation is expected to permit the property to be deemed Qualified Property for purposes of the TCJA. Our initial acquisition of the property will be funded with cash (subject to any loan we obtain from our sponsor), although we may obtain a mortgage loan with respect to a portion of the renovation costs and we intend to obtain a mortgage loan upon project completion and stabilization.

As our Operating Partnership intends to acquire 2021 4th Street from our sponsor, the Independent Representative is expected to review and approve of the transaction prior to its consummation.

Additional Properties

Click <https://fundrise.com/offerings/opportunity-fund/view#holdings> for the most up to date information regarding properties that we have acquired.

Borrowing Policy

We believe that our sponsor’s ability to obtain both competitive interim and term financings and its relationships with top tier financial institutions should allow our Manager to successfully employ moderate levels of borrowing in order to enhance our returns to unitholders. Although our investment strategy is not contingent on financing our assets in the capital markets, our sponsor’s past experience and ability in structuring and managing match-funded, flexible term debt facilities and securitization vehicles should provide our Manager with an advantage in potentially obtaining conservatively structured term financing for many of our investments, to the extent available, through capital markets and other financing transactions, including allowing our Fund to be among the first to access the capital markets when conditions permit.

We expect to employ leverage to enhance total returns to our unitholders through a combination of senior financing on our real estate acquisitions, secured facilities, member loans, and capital markets financing transactions. Our target portfolio-wide leverage after we have acquired an initial substantial portfolio of diversified investments is between 50-75% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our assets. However, we may deploy less leverage than our target amount during the period prior to December 31, 2026. Under the tax code, on December 31, 2026, taxes on investors' deferral of capital gains related to their initial Opportunity Fund investment is to be recognized and due. Our goal is to seek a financing on or before 2026, or early 2027, in order to create liquidity for our investors so that they have the necessary capital to pay the taxes likely due then; however, there can be no assurances that we will be successful in this endeavor.

During the period when we are acquiring our initial portfolio, we may employ greater leverage on individual assets (that will also result in greater leverage of the interim portfolio) or at the fund level in order to quickly build a diversified portfolio of assets that constitute Qualified Property. To maintain at least 90% of our assets as Qualified Property, we may constrain the amount of investor capital taken at any given point or the timing of accepting investor capital. As a result, we may choose to acquire Qualified Properties before we have raised sufficient equity from investors under the Opportunity Zone program. In order to maintain at least 90% of our assets as Qualified Property, we may seek leverage from our Manager or one of its affiliates in order to acquire qualifying property on a timely, opportunistic basis. This would allow the Fund to backfill investor equity after acquiring various qualifying assets, thereby giving investors more latitude in the timing of when to harvest their gains to roll over into the Fund.

Upon each asset stabilization, we intend to seek to secure structured leverage that is long-term, non-recourse, non-mark-to-market financing to the extent obtainable on a cost-effective basis. To the extent a higher level of leverage is employed it may come either in the form of government-sponsored programs or other long-term, non-recourse, non-mark-to-market financing. Our Manager may from time to time modify our leverage policy in its discretion. However, other than during our initial period of operations, it is our policy to not borrow more than 75% of the greater of cost (before deducting depreciation or other non-cash reserves) or fair market value of our assets. We cannot exceed the leverage limit of our leverage policy unless any excess in borrowing over such level is approved by our Manager's investment committee.

Operating Policies

Credit Risk Management. We may be exposed to various levels of credit and special hazard risk depending on the nature of our assets and the nature and level of credit enhancements supporting our assets. Our Manager and its executive officers will review and monitor credit risk and other risks of loss associated with each investment. In addition, we will seek to diversify our portfolio of assets to avoid undue geographic, issuer, industry and certain other types of concentrations. Our Manager's investment committee will monitor the overall portfolio risk and levels of provision for loss.

Interest Rate Risk Management. On the assumption that we will elect to be qualified as a REIT, consistent with maintaining such qualification, we will follow an interest rate risk management policy intended to mitigate the negative effects of major interest rate changes. We intend to minimize our interest rate risk from borrowings by attempting to "match-fund", which means our Manager will seek to structure the key terms of our borrowings to generally correspond with the expected holding period of our assets and their underlying leases and through hedging activities.

Hedging Activities. We may engage in hedging transactions to protect our investment portfolio and variable rate leverage from interest rate fluctuations and other changes in market conditions. These transactions may include interest rate swaps, the purchase or sale of interest rate collars, caps or floors, options, mortgage derivatives and other hedging instruments. These instruments may be used to hedge as much of the interest rate risk as we determine is in the best interest of our unitholders, given the cost of such hedges and the expected need to maintain our qualification as a REIT. We may from time to time enter into interest rate swap agreements to offset the potential adverse effects of rising interest rates under certain short-term repurchase agreements. We may elect to bear a level of interest rate risk that could otherwise be hedged when our Manager believes, based on all relevant facts, that bearing such risk is advisable or economically unavoidable.

Equity Capital Policies. Under our limited partnership agreement, we have authority to issue an unlimited number of additional common units or other securities. In particular, our General Partner is authorized to provide for the issuance of an unlimited amount of one or more classes or series of units in our Fund, including preferred units, and to fix the number of units, the relative powers, preferences and rights, and the qualifications, limitations or restrictions applicable to each class or series thereof by resolution authorizing the issuance of such class or series, without unitholder approval. After your purchase in this offering, our General Partner may elect to: (i) sell additional units in this or future offerings, (ii) issue equity interests in private offerings or (iii) issue units to our Manager or General Partner, or their successors or assigns, in payment of an outstanding fee obligation. To the extent we issue additional equity interests after your purchase in this offering, your percentage ownership interest in us will be diluted. In addition, depending upon the terms and pricing of any additional offerings and the value of our investments, you may also experience dilution in the book value and fair value of your units.

Disposition Policies

As each of our investments reach what we believe to be its optimum value during the expected life of our Fund, we will consider disposing of the investment and may do so for the purpose of either distributing the net sale proceeds to our unitholders or investing the proceeds in other assets that we believe may produce a higher overall future return to our unitholders. We anticipate that any such dispositions typically would occur during the period after approximately ten years from the termination of this offering (subject to pursuing alternative means of providing liquidity). However, in accordance with our investment objective of achieving maximum capital appreciation, we may sell a particular property or other asset before or after this anticipated holding period if, in the judgment of our Manager's investment committee, selling the asset is in our unitholder's best interest. The determination of when a particular investment should be sold or otherwise disposed of will be made after consideration of relevant factors, including prevailing and projected economic conditions, whether the after tax results are concomitant with the tax advantages available under the Opportunity Zone program, whether the value of the property or other investment is anticipated to decline substantially, whether we could apply the proceeds from the sale of the asset to make other investments consistent with our investment objectives, whether disposition of the asset would allow us to increase cash flow, and whether the sale of the asset would constitute a prohibited transaction under the Code or, if applicable, would impact our status as a REIT. Our ability to dispose of property during the first few years following its acquisition is restricted to a substantial extent as a result of our Opportunity Fund and, if applicable, REIT status. As a result, our Manager will attempt to structure any disposition of properties or fund liquidity event in order to avail investors to the tax benefits under the Opportunity Zone program.

In addition, on the assumption that we elect to be qualified as a REIT, under applicable provisions of the Code regarding prohibited transactions, a REIT that sells a property other than foreclosure property that is deemed to be inventory or property held primarily for sale in the ordinary course of business is deemed a "dealer" with respect to any such property and is subject to a 100% penalty tax on the net income from any such transaction unless the sale qualifies for a statutory safe harbor from application of the 100% tax. As a result, our Manager will attempt to structure any disposition of our properties with respect to which our Manager believes we could be viewed as a dealer in a manner to avoid this penalty tax through reliance on the safe harbor available under the Code or through the use of a TRS. See "U.S. Federal Income Tax Considerations—Opportunity Fund Considerations." Alternatively, the risk of incurring the 100% tax may require the Manager to forgo an otherwise attractive sale opportunity.

When we determine to sell a particular property or other investment, we will seek to achieve a selling price that maximizes the after-tax capital appreciation for investors based on then-current market conditions. We cannot assure you that this objective will be realized. The selling price of a leased office, retail or industrial property will be determined in large part by the amount of rent payable by the tenants. With respect to apartment communities, the selling price will be determined in large part by the amount of rent payable by the residents. When determining the selling price of other types of real estate assets, such as hospitality and recreation and leisure properties, we will consider such factors as expected future cash flow from the properties as well as industry-specific information. Requirements for opportunity funds under the tax code may affect the structure, approach and pricing of a sale. The terms of payment will be affected by custom in the area in which the property being sold is located and the then prevailing economic conditions.

Depending upon then prevailing market conditions, and subject to our consideration of alternative liquidity events, it is our intention to consider beginning the process of liquidating our assets and distributing the net proceeds to our unitholders after approximately ten years after the termination of this offering. However, our Manager may determine to defer such liquidation beyond the tenth anniversary of the termination of this offering.

Market conditions, our expected status as a REIT and other factors could cause us to delay the commencement of our liquidation or other liquidity event. Even after we decide to liquidate, we are under no obligation to conclude our liquidation within a set time because the timing of the sale of our assets will depend on real estate and financial markets, the tax code and potential changes to the tax code at the time of sale, economic conditions of the areas in which the properties are located and U.S. federal income tax effects on unitholders that may prevail in the future, and we cannot assure you that we will be able to liquidate our assets. After commencing a liquidation, we would continue in existence until all properties are sold and our other assets are liquidated. In general, the U.S. federal income tax rules applicable to REITs will require us to complete our liquidation within 24 months following our adoption of a plan of liquidation. Compliance with this 24-month requirement could require us to sell assets at unattractive prices, distribute unsold assets to a “liquidating trust” with potentially unfavorable tax consequences for our unitholders, or, if applicable, terminate our status as a REIT.

Liquidity Event

Subject to then existing market conditions, we may consider alternatives to our liquidation as a means for providing liquidity to our unitholders after approximately ten years from the completion of this offering. While we expect to seek a liquidity transaction in this time frame, there can be no assurance that a suitable transaction will be available or that market conditions for a transaction will be favorable during that time frame. Our General Partner has the discretion to consider a liquidity transaction at any time if it determines such event to be in our unitholder’s best interests. A liquidity transaction could consist of a sale or partial sale of our assets, a sale or merger of our Fund, a consolidation transaction with other companies managed by our General Partner, our Manager or their affiliates, a listing of our units on a national securities exchange or a similar transaction. We do not have a stated term, as we believe setting a finite date for a possible, but uncertain future liquidity transaction may result in actions that are not necessarily in the best interest or within the expectations of our unitholders.

Prior to our completion of a liquidity transaction, our redemption plan may provide an opportunity for you to have your common units redeemed, subject to certain restrictions and limitations. However, due to the operational requirements to qualify as an “opportunity fund”, it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time. See “Description of our Common Units—Our Liquidity Philosophy and Redemption Plan.”

Competition

Our net income depends, in large part, on our ability to source, acquire and manage investments with attractive risk-adjusted yields. We compete with many other entities engaged in real estate investment activities, including individuals, corporations, bank and insurance company investment accounts, REITs, private real estate funds, and other entities engaged in real estate investment activities as well as online lending platforms that compete with the Fundrise Platform, many of which have greater financial resources and lower costs of capital available to them than we have. In addition, there are numerous competing entities with asset acquisition objectives similar to ours, and others may be organized in the future, which may increase competition for the investments suitable for us. In particular, our investment objectives and strategies are similar to another Fundrise entities, which are also managed by our Manager. Competitive variables include market presence and visibility, amount of capital to be invested per project and underwriting standards. To the extent that a competitor is willing to risk larger amounts of capital in a particular transaction or to employ more liberal underwriting standards when evaluating potential investments than we are, our investment volume and profit margins for our investment portfolio could be impacted. Our competitors may also be willing to accept lower returns on their investments and may succeed in buying the assets that we have targeted for acquisition. Although we believe that we are well positioned to compete effectively in each facet of our business, there is enormous competition in our market sector and there can be no assurance that we will compete effectively or that we will not encounter increased competition in the future that could limit our ability to conduct our business effectively.

Related Party Loans and Warehousing of Assets

If we have sufficient funds to acquire only a portion of a real estate investment then, in order to cover the shortfall, we may obtain a related party loan from, structure a co-investment in a preferred position, or issue a participation interest to, Fundrise Lending or its affiliates. Our limited partnership agreement expressly authorizes us to enter into such related party loans and to issue such participation interests. Each related party loan and participation interest will be an unsecured obligation of ours, that is payable solely to the extent that such related party loan or participation interest remains outstanding. As we sell additional common units in this offering, we will use the proceeds of such sales to pay down the principal and interest of the related party loan or the principal of the outstanding participation interests, as appropriate, reducing the payment obligation of the related party loan or participation interest, and our obligation to the holder of the related party loan or participation interest. We may also utilize related party loans, from time to time, as a form of leverage to acquire real estate assets.

In instances where a participation interest is outstanding, payments of the participation interest will be *pari passu* (i.e., of equal seniority) to our right to payment from the underlying asset, and any payments received from the underlying asset will be subsequently distributed *pro rata* (i.e., in equal proportion to their proportionate interest) among us and the participation interest holder. In the event that we sell a sufficient number of common units through this offering to fully extinguish the principal of an outstanding participation interest, we will repay the participation interest, and, other than any accrued but unpaid return due to it from the underlying asset, the holder of the participation interest will no longer hold any obligation of ours with regard to payment. It is anticipated that each participation interest will have a varying return that is dependent upon, and will generally be identical to, the projected return on the underlying asset.

As an alternative means of acquiring investments for which we do not yet have sufficient funds, Fundrise Lending or its affiliates may close and fund a real estate investment prior to it being acquired by us. This ability to warehouse investments allows us the flexibility to deploy our offering proceeds as funds are raised. However, our ability to engage in these warehouse investments may be constrained by U.S. federal tax considerations regarding our eligibility as an Opportunity Fund, as discussed in “U.S. Federal Income Tax Considerations—Opportunity Fund Considerations.” If we are able to engage in warehouse investments, we may then acquire such investment at a price equal to the fair market value of such investment, provided that its fair market value is materially equal to its cost (i.e., the aggregate equity capital invested by Fundrise Lending or its affiliates in connection with the acquisition and during the warehousing of such investments, plus assumption of debt and any costs, such as accrued property management fees and transfer taxes, incurred during or as a result of the warehousing or, with respect to debt, the principal balance plus accrued interest net of any applicable special servicing expenses).

Investment Company Act Considerations

We intend to conduct our operations so that neither we, nor any of our subsidiaries, are required to register as investment companies under the Investment Company Act.

Section 3(a)(1)(A) of the Investment Company Act defines an investment company as any issuer that is or holds itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. Section 3(a)(1)(C) of the Investment Company Act defines an investment company as any issuer that is engaged or proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire investment securities having a value exceeding 40% of the value of the issuer’s total assets (exclusive of U.S. Government securities and cash items) on an unconsolidated basis, which we refer to as the 40% test. Excluded from the term “investment securities,” among other things, are U.S. Government securities and securities issued by majority-owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

We anticipate that we will hold real estate and real estate-related assets described below (i) directly, (ii) through wholly-owned subsidiaries, (iii) through majority-owned joint venture subsidiaries, and, (iv) to a lesser extent, through minority-owned joint venture subsidiaries.

We intend, directly or through our subsidiaries, to originate, invest in and manage a diversified portfolio of commercial real estate investments. We expect to originate, acquire and structure a diversified portfolio of

commercial real estate properties. We may also invest, to a limited extent, in commercial real estate loans, as well as commercial real estate-related debt securities and other real estate-related assets.

We will 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 securities issued by any wholly-owned or majority-owned subsidiary that we may form and that are excluded from the definition of “investment company” based on Section 3(c)(1) or 3(c)(7) of the Investment Company Act, together with any other investment securities we may own, may not have a value in excess of 40% of the value of our total assets on an unconsolidated basis.

In addition, we believe that neither we nor certain of our subsidiaries will be considered investment companies under Section 3(a)(1)(A) of the Investment Company Act because we and they will not engage primarily or hold themselves out as being engaged 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.

The determination of whether an entity is a majority-owned subsidiary of the Fund is made by us. 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. The Investment Company Act further defines voting securities as any security presently entitling the owner or holder thereof to vote for the election of directors of a company. We treat companies in which we own at least a majority of the outstanding voting securities as majority-owned subsidiaries. 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 all 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. The determination of whether an entity is a majority-owned subsidiary of the Fund is made by us. We have not asked the SEC staff for concurrence of our analysis, our treatment of such interests as voting securities, or whether the Controlled Subsidiaries, or any other of our subsidiaries, may be treated in the manner in which we intend, 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.

Certain of our subsidiaries may also rely upon the exclusion from the definition of investment company under Section 3(c)(5)(C) of the Investment Company Act. Section 3(c)(5)(C), as interpreted by the staff of the SEC, requires an entity to invest at least 55% of its assets in “mortgages and other liens on and interests in real estate”, which we refer to as “qualifying real estate interests”, and at least 80% of its assets in qualifying real estate interests plus “real estate-related assets”.

In reliance on published SEC staff guidance, we intend to treat as “qualifying real estate interests” fee interests in real estate, mortgage loans fully secured by real estate, certain mezzanine loans and certain B-Notes. Commercial real estate-related debt securities (including CMBS, CDOs and REIT senior unsecured debt) will be treated as “real estate-related assets”.

On August 31, 2011, the SEC published a concept release entitled “Companies Engaged in the Business of Acquiring Mortgages and Mortgage Related Instruments” (Investment Company Act Rel. No. 29778). This release notes that the SEC is reviewing the Section 3(c)(5)(C) exclusion relied upon by companies similar to us that invest in mortgage loans. There can be no assurance that the laws and regulations governing the Investment Company Act status of companies similar to ours, or the guidance from the SEC or its staff regarding the treatment of assets as qualifying real estate assets or real estate-related assets, will not change in a manner that adversely affects our operations as a result of this review. To the extent that the SEC or its staff provides more specific guidance regarding any of the matters bearing upon our exclusion from the need to register under the Investment Company

Act, we may be required to adjust our strategy accordingly. Any additional guidance from the SEC staff could provide additional flexibility to us, or it could further inhibit our ability to pursue the strategies that we have chosen.

The loss of our exclusion from regulation pursuant to the Investment Company Act could require us to restructure our operations, sell certain of our assets or abstain from the purchase of certain assets, which could have an adverse effect on our financial condition and results of operations.

PRIOR PERFORMANCE SUMMARY

The information presented in this section represents the historical operating results for our sponsor and the experience of real estate programs sponsored by our sponsor, which we refer to as the “prior real estate programs.” Investors in our common units should not assume that they will experience returns, if any, comparable to those experienced by investors in our sponsor’s affiliated prior real estate programs. Investors who purchase our common units will not thereby acquire any ownership interest in any of the entities to which the following information relates.

The returns to our unitholders will depend in part on the mix of assets in which we invest, the stage of investment and our place in the capital structure for our investments. As our portfolio may not mirror the portfolios of our sponsor’s affiliated prior real estate programs in any of these respects, the returns to our unitholders may vary from those generated by our sponsor’s affiliated prior real estate programs. The prior real estate programs were conducted through privately-held entities that were not subject to the fees and expenses associated with this offering or many of the laws and regulations to which we will be subject. In addition, our sponsor is a self-managed, privately-held company with an indefinite duration. As a result, you should not assume the past performance of our sponsor or the prior real estate programs described below will be indicative of our future performance.

Overview of Our Sponsor

Our sponsor is a privately-held company that operates as a real estate investment and lending platform. Our sponsor was formed in March 2012 to (i) establish the on-line real estate funding vehicle that is today the Fundrise Platform and (ii) engage in the business of investing in and managing commercial real estate debt and commercial real estate equity securities. In April 2014, our sponsor closed its Series A funding round, pursuant to which it raised net proceeds of approximately \$24.5 million. On January 31, 2017, our sponsor began an initial offering of shares of its class B common stock to the public via Regulation A. As of April 30, 2018, our sponsor had raised approximately \$22.2 million through such Regulation A offering.

Our sponsor has eight (8) public programs as of December 31, 2017 (collectively, the “eDirect Programs”): (i) Fundrise Real Estate Investment Trust, LLC (the “Income eREIT™”); (ii) Fundrise Equity REIT, LLC (the “Growth eREIT™”); (iii) Fundrise West Coast Opportunistic REIT, LLC (the “West Coast eREIT™”); (iv) Fundrise East Coast Opportunistic REIT, LLC (the “East Coast eREIT™”); (v) Fundrise Midland Opportunistic REIT, LLC (the “Heartland eREIT™”); (vi) Fundrise For-Sale Housing eFund - Washington DC, LLC (the “DC eFund™”); (vii) Fundrise For-Sale Housing eFund - Los Angeles CA, LLC (the “LA eFund™”); and (viii) Fundrise National For-Sale Housing eFund, LLC (the “National eFund™”). For purposes of this prior performance summary, our sponsor views its prior public programs to consist of five (5) eREITs that had begun raising and deploying capital either during the year ended December 31, 2016 or 2015.

With respect to its eREIT™ programs, our sponsor’s primary investment objectives are similar to ours. Our sponsor seeks to produce attractive risk-adjusted returns by targeting debt and equity investments with significant potential value creation but below the radar of institutional-sized investors. In contrast, returns typically associated with core real estate properties in major gateway markets, and stabilized trophy assets have generally become overpriced in the a pursuit of safety over value. We believe that our investment strategy, combined with the experience and expertise of our Manager’s management team, will provide opportunities to originate investments with attractive long-term equity returns and strong structural features with local, joint venture real estate companies, thereby taking advantage of changing market conditions in order to seek the best risk-return dynamic for our unitholders.

The profitability and performance of our sponsor’s business is a function of several metrics: (i) growth of assets under management; (ii) growth in the number of eDirect™ Programs listed on the Fundrise Platform; and (iii) overall returns realized on invested capital. The credit quality of our sponsor’s investments, the diversification of its portfolio and the underwriting and portfolio management capabilities of our sponsor’s management team, who also serve as our Manager’s management team, are additional key factors in the performance of our sponsor’s business. As of December 31, 2017, our sponsor had approximately \$245 million in assets under management as a result of the eDirect™ Programs.

Our Sponsor's Prior Public Investment Programs

Overview

The eREIT™ Programs were launched in December 2015 with the qualification of the Regulation A offering of the Income eREIT™. Our sponsor and its affiliates are responsible for origination, due diligence, structuring, closing, acquiring, and asset management of all investments and loans made under the eDirect™ Programs. As of December 31, 2017, our sponsor had facilitated or originated approximately 70 real estate assets in its eREIT™ Programs with aggregate asset values of approximately \$1.4 billion, consisting of approximately \$114 million of commercial real estate loan assets, and \$1.3 billion of investments in commercial real estate assets (primarily through common equity investments and majority-owned subsidiaries with rights to receive preferred economic returns or joint ventures). The portfolios included in the eREIT™ Programs are diversified by investment size, security type, property type and geographic region. As a result of the depth and thoroughness of its underwriting process, the extensive investing experience of its management team and its strong performance record in managing a diverse portfolio of assets, we believe our sponsor has earned a reputation as a leading real estate manager, which has allowed it to access funding from a broad base of investors.

Through December 31, 2017, the five eREITs™ had collectively raised approximately \$225 million.

Factors Differentiating Us from Prior Investment Programs

Our investment objectives, risk profile and investment strategy are different from the eREIT™ Programs. We expect to acquire a different asset portfolio compared to what has been originated in the eREIT™ Programs.

Additional Information

Please see the tables under “Prior Performance Tables” in Appendix A to this PPM for more information regarding our sponsor's prior performance.

DESCRIPTION OF OUR COMMON UNITS

The following descriptions of our common units, certain provisions of Delaware law and certain provisions of our certificate of formation and limited partnership agreement, which will be in effect upon consummation of this offering, are summaries and are qualified by reference to Delaware law, our certificate of formation and our limited partnership agreement, copies of which are filed as exhibits to the private placement memorandum. See “Where You Can Find More Information.”

General

We are a Delaware limited partnership organized on June 21, 2018 under the Delaware Revised Uniform Limited Partnership Act, as amended, or Delaware Limited Partnership Act, issuing limited partnership interests. The limited partnership interests in the Fund will be denominated in common units of limited partnership interests (“common units”) and, if created in the future, preferred units of limited partnership interests (“preferred units”). Our limited partnership agreement provides that we may issue an unlimited number of common units with the approval of our General Partner and without unitholder approval.

All of the common units offered by this PPM will be duly authorized and validly issued. Upon payment in full of the consideration payable with respect to the common units, as determined by our General Partner, the holders of such units will not be liable to us to make any additional capital contributions with respect to such units (except for the return of distributions under certain circumstances as required by the Delaware Limited Partnership Act). Holders of common units have no conversion, exchange, sinking fund or appraisal rights, no pre-emptive rights to subscribe for any securities of the Fund and no preferential rights to distributions. However, holders of our common units will be eligible to participate in our redemption plan, as described below in “—Redemption Plan”.

We intend to have a December 31st fiscal year end. We intend in the future to elect to be treated as a REIT for U.S. federal income tax purposes; however, we are not required to make that election and may select an alternative tax classification if, for example, we determine that another classification may be more appropriate in order to comply with future Opportunity Fund guidance.

Distributions

We generally expect only to make distributions prior to liquidation to the extent necessary to comply with the requirements for maintaining our status as a REIT, assuming that we elect to be treated as a REIT. Those requirements generally require that we make aggregate annual distributions to our unitholders of at least 90% of our REIT taxable income, computed without regard to the dividends paid deduction and excluding net capital gain. Therefore, to the extent that we have earned profits and have related cash flow that does not constitute REIT taxable income (such as, for example, because our REIT taxable income may be reduced by real estate depreciation deductions), we intend generally to retain the profit inside the Fund rather than distribute it to unitholders. As a result, such profit and cash flow will be intended to be reflected as an increase in NAV, which may eventually be recognized tax-free at a federal-level by unitholders who have elected to invest eligible gains in the Fund under the qualified opportunity zone program, when they redeem their units or the Fund is liquidated after the requisite 10-year holding period has been satisfied.

To the extent that we make distributions, we expect that our General Partner will declare and make them on a periodic basis based on taxable income, or the sale of our assets, as determined by our General Partner, in arrears. Any distributions we make will be at the discretion of our General Partner, and will be based on, among other factors, our present and reasonably projected future cash flow, the appreciated value of the underlying assets and/or our need to maintain reserves. Distributions will be paid to unitholders as of the record dates selected by the General Partner.

Any distributions that we make will directly impact our NAV, by reducing the amount of our assets.

Although our goal is to fund the payment of distributions solely from cash flow from operations, we may pay distributions from other sources, including the net proceeds of this offering, cash advances by our General Partner or sponsor, cash resulting from a waiver of fees or reimbursements due to our Manager, borrowings in anticipation of future operating cash flow and the issuance of additional securities, and we have no limit on the amounts we may

pay from such other sources. If we fund distributions from financings or the net proceeds from this offering, we will have less funds available for investment in real estate properties, real estate-related assets and other investments. We expect that our cash flow from operations available for distribution will be lower in the initial stages of this offering until we have raised significant capital and made substantial investments. Further, because we may receive income at various times during our fiscal year and because we may need cash flow from operations during a particular period to fund expenses, we expect that during the early stages of our operations and from time to time thereafter, we may declare distributions in anticipation of cash flow that we expect to receive during a later period and these distributions would be paid in advance of our actual receipt of these funds. In these instances, we expect to look to third party borrowings, our offering proceeds or other sources to fund our distributions. Additionally, we will make certain payments to our Manager for services provided to us. See “Management Compensation.” Such payments will reduce the amount of cash available for distributions. Finally, payments to fulfill redemption requests under our redemption plan will also reduce funds available for distribution to remaining unitholders.

We are not prohibited from distributing our own securities in lieu of making cash distributions to unitholders. Our limited partnership agreement also gives the General Partner the right to distribute other assets rather than cash. The receipt of our securities or assets in lieu of cash distributions may cause unitholders to incur transaction expenses in liquidating the securities or assets. We do not have any current intention to list our common units on a stock exchange or other trading market, nor is it expected that a public market for the common units will develop. We also do not anticipate that we will distribute other assets in kind (other than in the context of a roll up transaction).

Our distributions will constitute a return of capital to the extent that they exceed our current and accumulated earnings and profits as determined for U.S. federal income tax purposes. To the extent that a distribution is treated as a return of capital for U.S. federal income tax purposes, it will reduce a holder’s adjusted tax basis in the holder’s units, and to the extent that it exceeds the holder’s adjusted tax basis will be treated as gain resulting from a sale or exchange of such units.

Fee Waiver Support

To mitigate the effect of our lack of assets, revenue and operating history, our Manager has agreed, for a period until June 30, 2019 (the “fee waiver period”), to waive its investment management fee during the fee waiver period. Following the conclusion of the fee waiver period, our Manager may, in its sole discretion, waive its investment management fee, in whole or in part. The Manager will forfeit any portion of the investment management fee that is waived.

In the event of the removal of our Manager, any obligations of our Manager to provide the fee waiver support to us will be terminated.

Voting Rights

Our common unitholders will have voting rights only with respect to certain matters, as described below. Each outstanding common unit entitles the holder to one vote on all matters submitted to a vote of common unitholders until the redemption date as described below in “—Redemption Plan”. Generally, matters to be voted on by our unitholders must be approved by either a majority or supermajority, as the case may be, of the votes cast by all common units present in person or represented by proxy. Our limited partnership agreement provides that special meetings of unitholders may be called by our General Partner. If any such vote occurs, you will be bound by the majority or supermajority vote, as applicable, even if you did not vote with the majority or supermajority.

The following circumstances will require the approval of holders representing a majority or supermajority, as the case may be, of the common units:

- any amendment to our limited partnership agreement that would adversely change the rights of the common units (*majority of affected class/series*);
- removal of our General Partner for “cause” as described under “Management—Term and Removal of the General Partner” (*two-thirds*); and

- the dissolution of the issuer (only if the General Partner has been removed for “cause”) (*majority*);

General Procedures

Unitholder Announcements; Notices. In the case of specified dispositions or a redemption, we will announce or otherwise provide specified information to our unitholders.

Meetings. Our limited partnership agreement provides that special meetings of unitholders may only be called by our General Partner. There will be no annual or regular meetings of the Members.

Fractional Units. We will not have to issue or deliver any fractional units to any holder of common units upon any redemption or distribution under the provisions described under “— Redemptions.” Instead of issuing fractional units, we will pay cash for the fractional unit in an amount equal to the fair market value of the fractional unit, without interest.

Adjustments for Distributions. Upon the redemption of any common units during the Introductory Period, the Redemption Price will be reduced by the aggregate sum of distributions, if any, declared on the units to the redemption request with record dates during the period between the quarter end redemption request date and the date of redemption. If a redemption date with respect to common units comes after the record date for the payment of a distribution to be paid on those units but before the payment or distribution, the registered holders of those units at the close of business on such record date will be entitled to receive the distribution on the payment date, notwithstanding the redemption of those units or our default in payment of the distribution.

Payment of Taxes. If any person exchanging a certificate representing common units wants us to issue a certificate in a different name than the registered name on the old certificate, that person must pay any transfer or other taxes required by reason of the issuance of the certificate in another name or establish, to the satisfaction of us or our agent, that the tax has been paid or is not applicable.

Liquidation Rights

In the event of a liquidation, termination or winding up of the Fund, whether voluntary or involuntary, we will first pay or provide for payment of our debts and other liabilities, including the liquidation preferences of any class of preferred units. Thereafter, holders of our common units will share in our funds remaining for distribution pro rata in accordance with their respective interests in the Fund.

Preferred Units

Section 17-218 of the Delaware Limited Partnership Act also specifically authorizes the creation of ownership interests of different classes of limited partnership interests, having such relative rights, powers and duties as the limited partnership agreement may provide, and may make provision for the future creation in the manner provided in the limited partnership agreement of additional classes of membership interests. In accordance with this provision, our limited partnership agreement provides that our General Partner is authorized to provide for the issuance from time to time of an unlimited amount of one or more classes or series of preferred units of limited partnership interests (“preferred units”). Unless otherwise required by law or by any stock exchange, if applicable, any such authorized preferred units will be available for issuance without further action by our common unitholders. Our General Partner is authorized to fix the number of preferred units, the relative powers, preferences and rights, and the qualifications, limitations or restrictions applicable to each class or series thereof by resolution authorizing the issuance of such class or series and without unitholder approval. As of the date of this PPM, no preferred units are outstanding and we have no current plans to issue any preferred units.

We could issue a class or series of preferred units that could, depending on the terms of the class or series, impede or discourage an acquisition attempt or other transaction that some, or a majority, of holders of common units might believe to be in their best interests or in which holders of common units might receive a premium for their common units.

Preferred Units to Meet 100 Investor REIT Requirement. Following completion of this offering, to the extent necessary to assist us in obtaining a sufficient number of unitholders to meet certain of the qualification

requirements for taxation as a REIT under the Code, we may undertake to issue and sell up to approximately 125 units of a new series of preferred units in a private placement to up to approximately 125 investors who qualify as “accredited investors” (as that term is defined in Rule 501(a) of Regulation D under the Securities Act). The preferred units, if any, are expected to be perpetual, pay an annual market dividend for securities of this type and be redeemable by us at a premium to the aggregate liquidation value. For example, if we issue 125 preferred units with a liquidation price of \$1,000 per unit and an annual dividend of 12.5%, we would raise additional capital of \$125,000 and be required to be pay or set aside for payment, in the aggregate, approximately \$15,625 annually, before any distributions on our common units could be made.

Our Limited Partnership Agreement

General Partner

- Our limited partnership agreement designates Fundrise Opportunity Fund GP, LLC, an affiliate of our sponsor, as our general partner. Our General Partner will generally not be entitled to vote on matters submitted to our unitholders, although its approval will be required with respect to certain amendments to the limited partnership agreement that would adversely affect its rights. Our General Partner will not have any distribution, redemption, conversion or liquidation rights by virtue of its status as the General Partner.
- Our limited partnership agreement further provides that the General Partner, in exercising its rights in its capacity as the General Partner, will be entitled to consider only such interests and factors as it desires, including its own interests, and will have no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting us or any of our unitholders and will not be subject to any different standards imposed by our limited partnership agreement, the Delaware Limited Partnership Act or under any other law, rule or regulation or in equity.

Organization and Duration

We were formed on June 21, 2018, as Fundrise Opportunity Fund, LP, a Delaware limited partnership. We will remain in existence until dissolved in accordance with our limited partnership agreement. Our Manager will be our initial limited partner, and will withdraw from the Fund upon admission of other limited partners.

Purpose

Under our limited partnership agreement, we are permitted to engage in any business activity that lawfully may be conducted by a limited partnership organized under Delaware law and, in connection therewith, to exercise all of the rights and powers conferred upon us pursuant to the agreement relating to such business activity.

Agreement to be Bound by our Limited Partnership Agreement; Power of Attorney

By purchasing a common unit, you will be admitted as a member of the Fund and will be bound by the provisions of, and deemed to be a party to, our limited partnership agreement. Pursuant to this agreement, each unitholder and each person who acquires a common unit from a unitholder grants to our General Partner a power of attorney to, among other things, execute and file documents required for our qualification, continuance or dissolution. The power of attorney also grants our General Partner the authority to make certain amendments to, and to execute and deliver such other documents as may be necessary or appropriate to carry out the provisions or purposes of, our limited partnership agreement.

No Fiduciary Relationship with our General Partner

We operate under the direction of our General Partner, which is responsible for managing our day-to-day operations although it has delegated, subject to certain exceptions, substantially all of its obligations to the Manager pursuant to the Investments Management Agreement. Our General Partner performs its duties and responsibilities pursuant to our limited partnership agreement. Our General Partner maintains a contractual, as opposed to a fiduciary relationship, with us and our unitholders. Furthermore, we have agreed to limit the liability of our General Partner and Manager and to indemnify our General Partner and Manager against certain liabilities.

Limited Liability and Indemnification of our General Partner, our Manager and Others

Subject to certain limitations, our limited partnership agreement limits the liability of our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholders and affiliates, for monetary damages and provides that we will indemnify and pay or reimburse reasonable expenses in advance of final disposition of a proceeding to our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholders and affiliates.

Our limited partnership agreement provides that to the fullest extent permitted by applicable law our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholders and affiliates will not be liable to us. In addition, pursuant to our limited partnership agreement, we have agreed to indemnify our General Partner, our Manager, their officers and directors, our sponsor and our sponsor's stockholders and affiliates, to the fullest extent permitted by law, against all expenses and liabilities (including judgments, fines, penalties, interest, amounts paid in settlement with the approval of the Fund and attorney's fees and disbursements) arising from the performance of any of their obligations or duties in connection with their service to us or the limited partnership agreement, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such person may hereafter be made party by reason of being or having been the manager or one of our General Partner's or our Manager's directors or officers.

Insofar as the foregoing provisions permit indemnification of directors, officers or persons controlling us for liability arising under the Securities Act, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Amendment of Our Limited Partnership Agreement; Exclusive Authority of our General Partner to Amend our Limited Partnership Agreement

Amendments to our limited partnership agreement may be proposed only by or with the consent of our General Partner. Our General Partner will not be required to seek approval of the unitholders to adopt or approve any amendment to our limited partnership agreement, except to the extent that such amendment would limit the rights of the holders of any class or series of units or would otherwise have an adverse effect on such holders. In such a case, the proposed amendment must be approved in writing by holders representing a majority of the class or series of units so affected.

Termination and Dissolution

We will continue as a limited partnership until terminated under our limited partnership agreement. We will dissolve upon: (1) the election of our General Partner to dissolve us; (2) the sale, exchange or other disposition of all or substantially all of our assets; (3) the entry of a decree of judicial dissolution of the Fund; or (4) at any time that we no longer have any unitholders, unless our business is continued in accordance with the Delaware Limited Partnership Act.

Books and Reports

We are required to keep appropriate books of our business at our principal offices. The books will be maintained for both tax and financial reporting purposes on a basis that permits the preparation of financial statements in accordance with GAAP. For financial reporting purposes and U.S federal income tax purposes, our fiscal year and our tax year (unless otherwise required by the Code) are the calendar year.

We will provide audited financial statements to investors within 120 days of our fiscal year end.

Determinations by our General Partner

Any determinations made by our General Partner under any provision described in our limited partnership agreement will be final and binding on our unitholders, except as may otherwise be required by law. We will prepare a statement of any determination by our General Partner respecting the fair market value of any properties, assets or securities, and will file the statement with the Fund's books and records.

Restrictions on Ownership and Transfer

All of our common units will be “restricted securities” within the meaning of Rule 144 under the Securities Act and therefore may not be transferred by a holder thereof within the United States or to a “U.S. person” unless such transfer is made pursuant to registration under the Securities Act, pursuant to an exemption therefrom, or in a transaction outside the United States pursuant to the resale provisions of Regulation S.

In order for us to qualify as a REIT under the Code, which we intend to do, units of the Fund must be owned by 100 or more persons during at least 335 days of a taxable year of 12 months (other than the first year for which an election to be a REIT has been made) or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of our outstanding units may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made). To qualify as a REIT, we must satisfy other requirements as well. See “U.S. Federal Income Tax Considerations—Requirements for Qualification as a REIT.”

Our limited partnership agreement, subject to certain exceptions, provides that generally no person may own, or be deemed to own by virtue of the attribution provisions of the Code, either more than 9.8% in value or in number of our common units, whichever is more restrictive, or more than 9.8% in value or in number of our units, whichever is more restrictive. We refer to these limited collectively as the “ownership limit.” An individual or entity that becomes subject to the ownership limit or any of the other restrictions on ownership and transfer of the units of the Fund described below is referred to as a “prohibited owner” if, had the violative transfer or other event been effective, the individual or entity would have been a beneficial owner or, if appropriate, a record owner of units. The ownership limits could have the effect of discouraging a takeover or other transaction in which unitholders might receive a premium for their units over the then prevailing market price or which holders might believe to be otherwise in their best interests. Furthermore, we will reject any investor’s subscription in whole or in part if we determine that such subscription would violate such ownership limits.

The applicable constructive ownership rules under the Code are complex and may cause our units owned actually or constructively by a group of individuals and/or entities to be owned constructively by one individual or entity. As a result, the acquisition of less than 9.8% by value or number of our common units, whichever is more restrictive, or 9.8% by value or number of our units, whichever is more restrictive, (or the acquisition of an interest in an entity that owns, actually or constructively, our units by an individual or entity), could, nevertheless, cause that individual or entity, or another individual or entity, to own constructively in excess of the ownership limit.

Our General Partner may, in its sole discretion, subject to such conditions as it may determine and the receipt of certain representations and undertakings, prospectively or retroactively, waive the ownership limit or establish a different limit on ownership, or excepted holder limit, for a particular unitholder if the unitholder’s ownership in excess of the ownership limit would not result in the Fund being “closely held” within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) except during the first taxable year for which we elect to be a REIT and/or during the first half of our second taxable year for which we elect to be treated as a REIT and only to the extent it does not result in us failing to qualify as a REIT or otherwise would result in us failing to qualify as a REIT. As a condition of its waiver or grant of excepted holder limit, our General Partner may, but is not required to, require an opinion of counsel or IRS ruling satisfactory to our General Partner in order to determine or ensure the Fund’s qualification as a REIT. In addition, our General Partner will reject any investor’s subscription in whole or in part if it determines that such subscription would violate such ownership limits.

In connection with granting a waiver of the ownership limit, creating an excepted holder limit or at any other time, our General Partner may from time to time increase or decrease the ownership limit for all other individuals and entities unless, after giving effect to such increase, five or fewer individuals could beneficially or constructively own in the aggregate, more than 49.9% in value of the units then outstanding of the Fund or the Fund would otherwise fail to qualify as a REIT. Prior to the modification of the ownership limit, our General Partner may require such opinions of counsel, affidavits, undertakings or agreements as it may deem necessary or advisable in order to determine or ensure our qualification as a REIT. A reduced ownership limit will not apply to any person or entity whose percentage ownership of our common units or units of the Fund, as applicable, is in excess of such decreased ownership limit until such time as such individual’s or entity’s percentage ownership of our common units or units

of the Fund, as applicable, equals or falls below the decreased ownership limit, but any further acquisition of our common units or units of the Fund, as applicable, in excess of such percentage ownership of our common units or units of the Fund will be in violation of the ownership limit.

Our limited partnership agreement further prohibits:

- any person from beneficially or constructively owning, applying certain attribution rules of the Code, units of the Fund that would result in the Fund being “closely held” under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise cause us to fail to qualify as a REIT; and
- any person from transferring our units if such transfer would result in our units being owned by fewer than 100 persons (determined without reference to any rules of attribution).

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of our units that will or may violate the ownership limit or any of the other foregoing restrictions on ownership and transfer of our units, or who would have owned our units transferred to a trust as described below, must immediately give us written notice of the event, or in the case of an attempted or proposed transaction, must give at least 15 days’ prior written notice to us and provide us with such other information as we may request in order to determine the effect of such transfer on our qualification as a REIT. The foregoing restrictions on ownership and transfer of our units will not apply if our General Partner determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT or that compliance with the restrictions and limitations on ownership and transfer of our units as described above is no longer required in order for us to qualify as a REIT.

If any transfer of our units would result in our units being beneficially owned by fewer than 100 persons, such transfer will be null and void and the intended transferee will acquire no rights in such units. In addition, if any purported transfer of our units or any other event would otherwise result in any person violating the ownership limit or an excepted holder limit established by our General Partner or in the Fund being “closely held” under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise failing to qualify as a REIT, then that number of units (rounded up to the nearest whole unit) that would cause us to violate such restrictions will be automatically transferred to, and held by, a trust for the exclusive benefit of one or more charitable organizations selected by us and the intended transferee will acquire no rights in such units. The automatic transfer will be effective as of the close of business on the business day prior to the date of the violative transfer or other event that results in a transfer to the trust. Any dividend or other distribution paid to the prohibited owner, prior to our discovery that the units had been automatically transferred to a trust as described above, must be repaid to the trustee upon demand for distribution to the beneficiary by the trust. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable ownership limit or the Fund being “closely held” under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise failing to qualify as a REIT, then our limited partnership agreement provides that the transfer of the units will be null and void.

Units of the Fund transferred to the trustee are deemed offered for sale to us, or our designee, at a price per unit equal to the lesser of (1) the price paid by the prohibited owner for the units (or, if the event that resulted in the transfer to the trust did not involve a purchase of such units at market price, the last reported NAV value for our common units on the day of the event which resulted in the transfer of such units to the trust) and (2) the last reported NAV value of our common units on the date we accept, or our designee accepts, such offer (or \$10.00 if no NAV has been reported). We may reduce the amount payable by the amount of any dividend or other distribution that we have paid to the prohibited owner before we discovered that the units had been automatically transferred to the trust and that are then owed to the trustee as described above, and we may pay the amount of any such reduction to the trustee for the benefit of the charitable beneficiary. We have the right to accept such offer until the trustee has sold the units held in the trust as discussed below. Upon a sale to us, the interest of the charitable beneficiary in the units sold terminates, the trustee must distribute the net proceeds of the sale to the prohibited owner and any dividends or other distributions held by the trustee with respect to such units will be paid to the charitable beneficiary.

If we do not buy the units, the trustee must, as soon as practicable after receiving notice from us of the transfer of units to the trust, sell the units to a person or entity designated by the trustee who could own the units without violating the ownership limit or the other restrictions on ownership and transfer of units of the Fund. After the sale of the units, the interest of the charitable beneficiary in the units transferred to the trust will terminate and the trustee must distribute to the prohibited owner an amount equal to the lesser of (1) the price paid by the prohibited owner for the units (or, if the event which resulted in the transfer to the trust did not involve a purchase of such units at market price, the last reported NAV value for our common units on the day of the event which resulted in the transfer of such units to the trust) and (2) the sales proceeds (net of commissions and other expenses of sale) received by the trust for the units. The trustee may reduce the amount payable to the prohibited owner by the amount of any dividend or other distribution that we paid to the prohibited owner before we discovered that the units had been automatically transferred to the trust and that are then owed to the trustee as described above. Any net sales proceeds in excess of the amount payable to the prohibited owner will be immediately paid to the beneficiary of the trust, together with any dividends or other distributions thereon. In addition, if, prior to discovery by us that our units have been transferred to a trust, such units are sold by a prohibited owner, then such units will be deemed to have been sold on behalf of the trust and to the extent that the prohibited owner received an amount for or in respect of such units that exceeds the amount that such prohibited owner was entitled to receive, such excess amount will be paid to the trustee upon demand. The prohibited owner has no rights in the units held by the trustee.

The trustee will be designated by us and will be unaffiliated with us and with any prohibited owner. Prior to the sale of any units by the trust, the trustee will receive, in trust for the beneficiary of the trust, all dividends and other distributions paid by us with respect to the units held in trust and may also exercise all voting rights with respect to the units held in trust. These rights will be exercised for the exclusive benefit of the beneficiary of the trust. Any dividend or other distribution paid prior to our discovery that our units have been transferred to the trust will be paid by the recipient to the trustee upon demand.

Subject to Delaware law, effective as of the date that the units have been transferred to the trust, the trustee will have the authority, at the trustee's sole discretion:

- to rescind as void any vote cast by a prohibited owner prior to our discovery that the units have been transferred to the trust; and
- to recast the vote in accordance with the desires of the trustee acting for the benefit of the beneficiary of the trust.

However, if we have already taken irreversible company action, then the trustee may not rescind and recast the vote.

In addition, if our General Partner determines in good faith that a proposed transfer or other event would violate the restrictions on ownership and transfer of our units, our General Partner may take such action as it deems advisable to refuse to give effect to or to prevent such transfer, including, but not limited to, causing us to redeem our units, refusing to give effect to the transfer on our books or instituting proceedings to enjoin the transfer.

Every owner of 5% or more (or such lower percentage as required by the Code or the Treasury Regulations promulgated thereunder) of our units, within 30 days after the end of each taxable year, must give us written notice, stating the unitholder's name and address, the number of units of each class of the Fund that the unitholder beneficially owns and a description of the manner in which the units are held. Each such owner must provide to us in writing such additional information as we may request in order to determine the effect, if any, of the unitholder's beneficial ownership on our qualification as a REIT and to ensure compliance with the ownership limit. In addition, each unitholder must provide to us in writing such information as we may request in good faith in order to determine our qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance.

Any certificates representing our units will bear a legend referring to the restrictions described above.

These restrictions on ownership and transfer could delay, defer or prevent a transaction or a change in control that might involve a premium price for the common units or otherwise be in the best interest of the holders of the common units.

REIT Election

We intend in the future to elect to be treated as a REIT for U.S. federal income tax purposes; however, we are not required to make that election and may select an alternative tax classification if, for example, we determine that another classification may be more appropriate in order to comply with future Opportunity Fund guidance.

Personal Conduct Repurchase Right

Our limited partnership agreement provides that we may elect to repurchase, at a price equal to \$10.00 per unit or, if our General Partner has determined that it would be more appropriate to reflect changes in value of the Fund, the NAV per unit as of the date the units are repurchased, all of the common units held by an investor in the event that such investor fails to conform its personal conduct to common and accepted standards of good citizenship or conducts itself in a way that reflects poorly upon us, as determined by the General Partner in its sole and absolute discretion. The purchase price will be payable to the investor in a single payment, with the payment becoming due fifteen (15) business days following the date on which we provide notice to the investor of our decision to repurchase the common units.

Prospect of Roll-Up/Public Listing

Our General Partner may determine that it is in our best interest to (i) contribute to, or convert the Fund into, an alternative vehicle, through consolidation, merger or other similar transaction with other companies, some of which may be managed by our General Partner or its affiliates (a “Roll-Up”) or (ii) list our units (or units of the Roll-Up vehicle) on a national securities exchange. In connection with a Roll-Up, unitholders may receive from the Roll-Up vehicle cash, stock, securities or other interests or assets of such vehicle, on such terms as our General Partner deems fair and reasonable, provided, however, that our General Partner will be required to obtain approval of unitholders holding a majority of the outstanding common units if required by applicable laws or regulations.

Anti-Takeover Effects of Our Limited Partnership Agreement and Delaware Law

The following is a summary of certain provisions of our limited partnership agreement and Delaware law that may be deemed to have the effect of discouraging, delaying or preventing transactions that involve an actual or threatened change of control of the Fund. These provisions include the following:

Authorized but Unissued Units

Our limited partnership agreement authorizes us to issue additional common units or other securities of the Fund for the consideration and on the terms and conditions established by our General Partner without the approval of our unitholders. In particular, our General Partner is authorized to provide for the issuance of an unlimited amount of one or more classes or series of units of the Fund, including preferred units, and to fix the number of units, the relative powers, preferences and rights, and the qualifications, limitations or restrictions applicable to each class or series thereof by resolution authorizing the issuance of such class or series. Our ability to issue additional units and other securities could render more difficult or discourage an attempt to obtain control over us by means of a tender offer, merger or otherwise.

Delaware Business Combination Statute—Section 203

We are a limited partnership organized under Delaware law. Some provisions of Delaware law may delay or prevent a transaction that would cause a change in our control. Section 203 of the DGCL, which restricts certain business combinations with interested unitholders in certain situations, does not apply to limited partnerships unless they elect to utilize it. Our limited partnership agreement does not currently elect to have Section 203 of the DGCL apply to us. In general, this statute prohibits a publicly held Delaware corporation from engaging in a business combination with an interested unitholder for a period of three years after the date of the transaction by which that person became an interested unitholder, unless the business combination is approved in a prescribed manner. For purposes of Section 203, a business combination includes a merger, asset sale or other transaction resulting in a financial benefit to the interested unitholder, and an interested unitholder is a person who, together with affiliates and associates, owns, or within three years prior did own, 15% or more of voting units. Our General Partner may elect to amend our limited partnership agreement at any time to have Section 203 apply to us.

Valuation Policies

Our General Partner set our initial offering price at \$10.00 per unit, which will be the purchase price of our units until the offering is scheduled to terminate on December 31, 2019. However, our General Partner may determine, either before the termination of the offering or in connection with our redemption plan, that it would be more appropriate to adjust the per unit purchase price (redemption price) to reflect changes in the value of the Fund, in which event, it expects to determine the fair market value of the Fund (and its common units) using a net asset value calculation (“NAV”). If the General Partner determines to adjust the NAV, it will be the greater of (i) \$10.00 per unit or (ii) our NAV, divided by the number of our common units outstanding as of a then-current date to be determined by the General Partner.

If the General Partner determines to adjust the purchase price or the Redemption Price, our sponsor’s internal accountants will calculate our NAV per unit using a process that may reflect some or all of the following: (1) estimated values of each of our commercial real estate assets and investments, including related liabilities, based upon (a) market capitalization rates, comparable sales information, interest rates, net operating income, (b) with respect to debt, default rates, discount rates and loss severity rates, (c) for properties that have development or value add plans, progress along such development or value add plan, and (d) in certain instances reports of the underlying real estate provided by an independent valuation expert, (2) the price of liquid assets for which third party market quotes are available, (3) accruals of our periodic distributions, (4) estimated accruals of our operating revenues and expenses and (5) estimated accruals for the Management Incentive Allocation that would be due if the Fund were to liquidate at the time of such determination. For joint venture or direct equity investments, the sponsor primarily relies on discounted cash flow method. Note, however, that the determination of our NAV is not based on, nor intended to comply with, fair value standards under GAAP, and our NAV may not be indicative of the price that we would receive for our assets at current market conditions. In instances where we determine that an appraisal of the real estate asset is necessary, including, but not limited to, instances where our General Partner is unsure of its ability on its own to accurately determine the estimated values of our commercial real estate assets and investments, or instances where third party market values for comparable properties are either nonexistent or extremely inconsistent, we will engage an appraiser that has expertise in appraising commercial real estate assets, to act as our independent valuation expert. The independent valuation expert will not be responsible for, nor for preparing, our NAV per unit.

As there is no market value for our units as they are not expected to be listed or traded, our goal is to provide a reasonable estimate of the value of our common units in adjusting the purchase price and Redemption Price, with the understanding that our common units are not listed or traded on any stock exchange or other marketplace. As with any commercial real estate valuation protocol, the conclusions reached by our sponsor’s internal asset management team or internal accountants, as the case may be, will be based on a number of judgments, assumptions and opinions about future events that may or may not prove to be correct. The use of different judgments, assumptions or opinions would likely result in different estimates of the value of our commercial real estate assets and investments. In addition, for any given period, our published NAV per unit may not fully reflect certain material events, to the extent that the financial impact of such events on our portfolio is not immediately quantifiable. Note, however, that the determination of our NAV is not based on, nor intended to comply with, fair value standards under GAAP, and our NAV may not be indicative of the price that we would receive for our assets at current market conditions. As a result, the calculation of our NAV per unit may not reflect the precise amount that might be paid for your units in a market transaction, and any potential disparity in our NAV per unit may be in favor of either unitholders who redeem their units, or unitholders who buy new units, or existing unitholders. However, to the extent quantifiable, if a material event occurs in between updates of NAV that would cause our NAV per unit to change by 5% or more from the last disclosed NAV, we will disclose the updated price and the reason for the change as promptly as reasonably practicable, and will update the NAV information provided on our website.

Our Sponsor’s Asset Management Team

As of the date of this PPM, our sponsor’s real estate and accounting teams are composed of eighteen professionals with more than 150 years of combined experience. Of these professionals, the primary real estate management team is made up of three officers of our sponsor, two real estate senior vice presidents, three real estate vice presidents, three real estate senior associates, seven real estate analysts, and nine accountants. All of these professionals play a role in asset management because our sponsor takes a “cradle to grave” approach to asset

management, meaning that the real estate team that closes a deal is then responsible for asset management of the property for the life of the investment. Members of our sponsor's real estate team have previously worked as real estate developers, fund managers, real estate brokers, and home-builders, while members of our sponsor's accounting team have worked as auditors, fund accountants, and property accountants. Prior to being employed by our sponsor, these team members accumulated direct management experience with real estate development, fund management, leasing, construction and financing in excess of \$2 billion of real estate, not including their experience with our sponsor.

Through December 31, 2017, our sponsor's real estate and accounting teams have acquired and asset managed more than 143 real estate properties totaling in excess of \$1.9 billion in asset values. Since 2015, our sponsor's real estate and accounting teams have worked with outside valuation experts in determining the Net Asset Value calculation for each of the investment programs sponsored by our sponsor. Based on this experience, our sponsor believes that its real estate team has a more intimate and detailed understanding of the properties than typical outside consultants and that its real estate and accounting teams can more accurately estimate the NAV of the Fund.

In addition, our sponsor believes that it will ultimately be much more cost-effective and efficient to produce NAV through its own real estate and accounting teams than through the use of outside valuation consultants.

Our Liquidity Philosophy and Redemption Plan

Our liquidity philosophy is informed by Dalbar's 2015 Quantitative Analysis of Investor Behavior (QAIB), which found that the average investor's returns from a standard stocks and bonds portfolio were 1.7% to 2.6% over a 10 to 20 year period, as compared to an average return of approximately 7.4% annual return for the S&P 500 over a similar period. Dalbar concluded that overall investment performance is more dependent on investor behavior than on fund performance, with investors who hold their investments through market downturns outperforming those investors who try to time the market. Our redemption plan is designed to protect the Fund and its investors from such detrimental behavior.

We invest in real property because of the many potential benefits that come with owning it. However, those benefits also come with a tradeoff, primarily liquidity. By its nature, real estate is an illiquid, long-term investment with a natural duration to be measured in years or decades. Properties grow in value as macro growth trends play out around them. Selling a property before giving it sufficient time to benefit from this growth is a good way to underperform. More importantly, to do so during a financial crisis is generally not only impatient, but also can result in painful losses.

Yet in a financial crisis, investors tend to be overcome by fear and forget the fundamentals of a long-term investment strategy. In that circumstance, we expect that some investors may ask for liquidity in the form of redemptions through our adopted redemption plan. Unknowingly or not, depending on the number of investors requesting redemptions, they could be requesting that we sell an investment property in order to generate the cash required to provide that liquidity. This type of forced selling during a financial crisis is likely to yield a discount to fair value of normal periods.

Not only do we believe that forced selling is a poor investment practice, it also hurts fellow investors in the Fund who are not seeking liquidity, as it forces existing investors to lock in lower returns by having the Fund sell an investment property into a down market rather than having the patience to ride out the storm.

We want to be clear to every investor that forced selling to provide for redemption requests is not something you should expect from the Fund during a down market. We have designed our governance and redemption plan specifically to prevent this scenario. We have built an investment model to target performance over the long run, not trade in the short term — and investors should expect us to act in accordance with what we believe is in the best long-term interest of the Fund and our investors as a whole. In fact, whenever the next downturn does occur, we think it is likely to create compelling opportunities to buy, not sell.

While unitholders should view this investment as long-term, we plan to adopt a redemption plan. Our Manager has designed our redemption plan with a view towards providing investors with an initial period with which to decide whether a long-term investment in the Fund is right for them. In addition, despite the illiquid nature of the

assets expected to be held by the Fund, our Manager believes it is best to provide the opportunity for ongoing liquidity in the event unitholders need it. However, due to the operational requirements to qualify as an "opportunity fund", it is highly likely that the redemption plan will be limited in its availability. Accordingly, investors should not rely on such redemption plan being readily available in the future and should be prepared to hold their units for an indefinite period of time.

Pursuant to our redemption plan, a unitholder may only (a) have one outstanding redemption request at any given time and (b) request that we redeem up to the lesser of 5,000 units or \$50,000 per each redemption request. In the event of a conflict between the minimum and maximum amounts that may be redeemed, the maximum dollar amount allowable will control. In addition, the redemption plan is subject to certain liquidity limitations, which may fluctuate depending on the liquidity of the real estate assets held by us.

The calculation of the redemption price will depend, in part, on whether a unitholder requests redemption within the first eighty-nine (89) days of first acquiring the units (the "Introductory Period") or thereafter (the "Post-Introductory Period").

During the Introductory Period, the per unit redemption price will be equal to \$10.00 reduced by (i) the aggregate sum of distributions paid with respect to such units, rounded down to the nearest cent and (ii) the aggregate sum of distributions, if any, declared but unpaid on the units subject to the redemption request. In other words, a unitholder would receive back their original investment amount, from the redemption price paid, prior distributions received and distributions that have been declared (and that will be received when paid), but would not receive any amounts in excess of their original investment amount

During the Post-Introductory Period, the per unit Redemption Price will be calculated based on a declining discount to the \$10.00 per unit purchase price of our common units, subject, in the discretion of our Manager, to any change to such Redemption Price based on the NAV in effect at the time of the redemption request, and rounded down to the nearest cent. In addition, the redemption plan is subject to certain liquidity limitations, which may fluctuate depending on the liquidity of the real estate assets held by us. During the Post-Introductory Period, the Redemption Price with respect to the common units that are subject to the redemption request will not be reduced by the aggregate sum of distributions, if any, that have been (i) paid with respect to such units prior to the date of the redemption request or (ii) declared but unpaid on such units with record dates during the period between the redemption request date and the redemption date.

 Holding Period from Date of Settlement	Discount to Redemption Price (1)
Less than 90 days (Introductory Period)....	100.0% (2)(3)
90 days until 3 years.....	97.0%
3 years to 4 years.....	98.0%
4 years to 5 years.....	99.0%
More than 5 years.....	100.0%

- (1) The Redemption Price will be \$10.00, unless our General Partner determines that it would be more appropriate to adjust such price to reflect changes in the value of the Fund, in which event, it expects to determine the fair market value of the Fund (and its common units) using an NAV calculation. See "Description of Our Common Units– Valuation Policies" for more information. The Redemption Price will be rounded down to the nearest \$0.01.
- (2) The per unit redemption price during the Introductory Period is calculated based upon the purchase price of the units, not the per unit price in effect at the time of the redemption request.
- (3) The Redemption Price during the Introductory Period will be reduced by the aggregate sum of distributions paid or payable on such units, the amount of which we are unable to calculate at this time.

As unitholders must observe a minimum sixty (60) day waiting period following a redemption request before such request will be honored, whether a redemption request is deemed to be in the Introductory Period or the Post-Introductory Period will be determined as of the date the redemption request is made, not the date the redemption request is honored. Meaning, for example, if a redemption request is submitted during the Introductory Period, but

honored after the Introductory Period, the effective redemption price will be determined using the Introductory Period methodology.

The following is a brief comparison of our redemption plan during the Introductory Period (up to 90 days after settlement) and the Post-Introductory Period (90 days or more after settlement), which is qualified in its entirety by the disclosure contained herein.

SUMMARY OF REDEMPTION PLAN

	<u>Introductory Period</u>	<u>Post-Introductory Period</u>
Duration	First 89 days after settlement	90+ days after settlement
Redemption Price	100% of purchase price <u>less</u> distributions paid and distributions declared and to be paid <u>less</u> third-party costs	97-100% of purchase price (or NAV) depending on hold time (no reduction for distributions) <u>less</u> third-party costs
Timing to submit request	At least 60 days prior to the effective redemption date (but in no event 90 or more days after first acquiring the common units)	At least 60 days prior to the effective redemption date
Last Date to Withdraw Request	Up to the effective redemption date.	Up to the effective redemption date.
Date of Redemption Payment	Within 3-5 business days after the effective redemption date.	Within 3-5 business days after the effective redemption date.
Frequency	Monthly (after a minimum 60 day waiting period after the submission of the redemption request).	Monthly (after a minimum 60 day waiting period after the submission of the redemption request).
Minimum Amount of Units Redeemed	None.	None.
Maximum Amount of Units Redeemed	5,000 common units or \$50,000, whichever is less.	5,000 common units or \$50,000, whichever is less.

We have the right to monitor the trading patterns of unitholders or their financial advisors and we reserve the right to reject any purchase or redemption transaction at any time based on what we deem to be a pattern of excessive, abusive or short-term trading. We expect that there will be no regular secondary trading market for our common units. However, in the event a secondary market for our units develops, we will terminate our redemption plan.

Redemption of our common units will be made monthly upon written request to us at least sixty (60) days prior to the effective redemption date; provided, however, written requests for common units to be redeemed during the Introductory Period must be delivered to our General Partner prior to the end of such unitholder's Introductory Period. Our General Partner intends to provide notice of redemption by the end of the first month following the sixtieth (60th) day after the submission of the redemption request, with an effective redemption date no earlier than the sixtieth (60th) day following the submission of the redemption request, and expects to remit the Redemption Price within three (3) business days (but generally no more than five (5) business days) of the effective redemption date. Unitholders may withdraw their redemption request at any time prior to the effective redemption date.

We cannot guarantee that the funds set aside for the redemption plan will be sufficient to accommodate all requests made in any given time period. In the event our General Partner determines, in its sole discretion, that we do not have sufficient funds available to redeem all of the common units for which redemption requests have been submitted during any given month, such pending requests will be honored on a pro-rata basis, if at all. In the event that not all redemptions are being honored in a given month, the redemption requests not fully honored will have the remaining amount of such redemption requests considered on the next month in which redemptions are being honored. Accordingly, all unsatisfied redemption requests will be treated as requests for redemption on the next date on which redemptions are being honored, with redemptions processed pro-rata, if at all. If funds available for the redemption plan are not sufficient to accommodate all redemption requests on such future redemption date, common units will be redeemed on a pro-rata basis, if at all.

We intend to limit common unitholders to one (1) redemption request outstanding at any given time, meaning that, if a common unitholder desires to request more or less units be redeemed, such common unitholder must first withdraw the first redemption request, which may affect whether the request is considered in the “Introductory Period” or “Post-Introductory Period”. In addition, we intend to limit unitholders to redemption requests of no more than the 5,000 common units or \$50,000, whichever is less. In the event of a conflict between the minimum and maximum amounts that may be redeemed, the maximum dollar amount allowable will control.

In accordance with the SEC’s current guidance on redemption plans, we intend to limit redemptions in any calendar month to units whose aggregate value (based on the Redemption Price per unit in effect as of the redemption date) is less than or equal to 0.5% of the NAV of all of our outstanding units as of the first day of such calendar month, and intend to limit the amount redeemed in any calendar quarter to units whose aggregate value (based on the Redemption Price per unit in effect as of the redemption date) is 1.25% of the NAV of all of our outstanding units as of first day of the last month of such calendar quarter (e.g., March 1, June 1, September 1, or December 1), with excess capacity carried over to later calendar quarters in that calendar year. However, as we intend to make a number of commercial real estate investments of varying terms and maturities, our Manager may elect to increase or decrease the amount of common units available for redemption in any given month, as these commercial real estate assets are paid off or sold, but in no event will we redeem more than 5.00% of the common units outstanding during any calendar year. Notwithstanding the foregoing, we are not obligated to redeem common units under the redemption plan.

Furthermore, a unitholder requesting redemption will be responsible for reimbursing us for any third-party costs incurred as a result of the redemption request, including but not limited to, bank transaction charges and custody fees.

In addition, our General Partner may, in its sole discretion, amend, suspend, or terminate the redemption plan at any time without prior notice, including to protect our operations and our non-redeemed unitholders, to prevent an undue burden on our liquidity, following any material decrease in our NAV, or for any other reason. However, in the event that we amend, suspend or terminate our redemption plan, we will post such information on the Fundrise Platform to disclose such amendment. Our General Partner may also, in its sole discretion, decline any particular redemption request if it believes such action is necessary to preserve our status as a REIT for U.S. federal income tax purposes (for example, if a redemption request would cause a non-redeeming unitholder to violate the ownership limits in our limited partnership agreement or if a redemption constitutes a “dividend equivalent redemption” that could give rise to a preferential dividend issue, to the extent applicable). Therefore, you may not have the opportunity to make a redemption request prior to any potential termination of our redemption plan.

For more information about our redemption plan or to submit a redemption request, please contact us by email at investments@fundrise.com.

Reports to Unitholders

Pursuant to our limited partnership agreement, we will prepare an audited annual report and deliver it to our common unitholders within 120 days after the end of each fiscal year. Our General Partner is required to take reasonable steps to ensure that the annual report complies with our limited partnership agreement provisions. We may provide additional reports to our common unitholders at the discretion of our General Partner.

We may update this PPM if any material developments occur that our General Partner determines should be included in a PPM supplement or otherwise. We will post updated PPMs and PPM supplements to our website.

We will provide such periodic updates electronically through the Fundrise Platform website at www.fundrise.com, and documents will be provided electronically. You may access and print all periodic updates provided through our website. As periodic updates become available, we will notify you of this by sending you an e-mail message that will include instructions on how to retrieve the periodic updates. If our e-mail notification is returned to us as “undeliverable,” we will contact you to obtain your updated e-mail address. We will provide you with paper copies at any time upon request. The contents of the Fundrise Platform website are not incorporated by reference in or otherwise a part of this PPM.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain U.S. federal income tax considerations relating to our qualification and taxation as a REIT and as an Opportunity Fund, as well as the acquisition, holding, and disposition of our common units. For purposes of this section, references to “we,” “us” or “our Fund” means only Fundrise Opportunity Fund, LP and not its subsidiaries or other lower-tier entities, except as otherwise indicated. This summary is based upon the Code, the regulations promulgated by the U.S. Treasury Department, current administrative interpretations and practices of the IRS (including administrative interpretations and practices expressed in private letter rulings which are binding on the IRS only with respect to the particular taxpayers who requested and received those rulings) and judicial decisions, all as currently in effect and all of which are subject to differing interpretations or to change, possibly with retroactive effect. Future legislation, regulations, administrative interpretations and court decisions could change current law or adversely affect existing interpretations of current law, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain a position contrary to any of the tax considerations described below. No advance ruling has been or will be sought from the IRS regarding any matter discussed in this summary. The summary is also based upon the assumption that the operation of our Fund, and of any subsidiaries and other lower-tier affiliated entities, will be in accordance with its applicable organizational documents and as described in this private placement memorandum. This summary is for general information only, and does not purport to discuss all aspects of U.S. federal income taxation that may be important to a particular unitholder in light of its investment or tax circumstances or to unitholders subject to special tax rules, such as:

- entities treated as Opportunity Fund;
- U.S. expatriates;
- persons who mark-to-market our common units;
- subchapter S corporations;
- U.S. unitholders who are U.S. persons (as defined below) whose functional currency is not the U.S. dollar;
- financial institutions;
- insurance companies;
- broker-dealers;
- REITs;
- regulated investment companies;
- trusts and estates;
- holders who receive our common units through the exercise of employee stock options or otherwise as compensation;

- persons holding our common units as part of a “straddle,” “hedge,” “short sale,” “conversion transaction,” “synthetic security” or other integrated investment;
- Non-corporate taxpayers subject to the alternative minimum tax provisions of the Code;
- persons holding our common units through a partnership or similar pass-through entity;
- persons holding a 10% or more (by vote or value) beneficial interest in our Fund;
- tax exempt organizations, except to the extent discussed below in “—Taxation of our Fund—Taxation of Tax Exempt U.S. Unitholders;” and
- non-U.S. persons (as defined below), except to the extent discussed below in “—Taxation of our Fund—Taxation of Non-U.S. Unitholders.”

Except to a limited extent noted below, this summary does not address state, local or non-U.S. tax considerations. This summary assumes that unitholders will hold our common units as capital assets, within the meaning of Section 1221 of the Code, which generally means as property held for investment.

For the purposes of this summary, a U.S. person is a beneficial owner of our common units who for U.S. federal income tax purposes is:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or of a political subdivision thereof (including the District of Columbia);
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- any trust if (1) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) it has a valid election in place to be treated as a U.S. person.

For the purposes of this summary, a U.S. unitholder is a beneficial owner of our common units who is a U.S. person. A tax exempt organization is a U.S. person who is exempt from U.S. federal income tax under Section 401(a) or 501(a) of the Code, and a tax exempt U.S. unitholder is a beneficial owner of our common units that is a tax exempt organization. For the purposes of this summary, a non-U.S. person is a beneficial owner of our common units who is a nonresident alien individual or a non-U.S. corporation for U.S. federal income tax purposes, and a non-U.S. unitholder is a beneficial owner of our common units who is a non-U.S. person. The term “unitholder” refers generally to a beneficial owner of our common units. The term “corporation” includes any entity treated as a corporation for U.S. federal income tax purposes, and the term “partnership” includes any entity treated as a partnership for U.S. federal income tax purposes.

THE U.S. FEDERAL INCOME TAX TREATMENT OF HOLDERS OF OUR COMMON UNITS DEPENDS IN SOME INSTANCES ON DETERMINATIONS OF FACT AND INTERPRETATIONS OF COMPLEX PROVISIONS OF U.S. FEDERAL INCOME TAX LAW FOR WHICH NO CLEAR PRECEDENT OR AUTHORITY MAY BE AVAILABLE. IN ADDITION, THE TAX CONSEQUENCES OF HOLDING OUR COMMON UNITS TO ANY PARTICULAR UNITHOLDER WILL DEPEND ON THE UNITHOLDER’S PARTICULAR TAX CIRCUMSTANCES. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES TO YOU, IN LIGHT OF YOUR PARTICULAR INVESTMENT OR TAX CIRCUMSTANCES, OF ACQUIRING, HOLDING, AND DISPOSING OF OUR COMMON UNITS.

Taxation of Our Fund

We are organized as a limited partnership, and intend to elect to be treated as a REIT under the Code. A REIT generally is not subject to U.S. federal income tax on the income that it distributes to its stockholders if it meets the applicable REIT distribution and other requirements for qualification. We believe that we are organized, owned and operated in conformity with the requirements for qualification and taxation as a REIT under the Code, and that our proposed ownership, organization and method of operation will enable us to continue to meet the requirements for qualification and taxation as a REIT under the Code. However, given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations (including with respect to matters that we may not control or for which it is not possible to obtain all the relevant facts) and the possibility of future changes in our circumstances or applicable law, no assurance can be given by us that we will so qualify for any particular year or that the IRS will not challenge our conclusions with respect to our satisfaction of the REIT requirements. The remainder of this disclosure assumes that we elect to be treated as a REIT, though we may determine to use an alternative structure instead, as discussed below in “Opportunity Fund Considerations—Opportunity Fund Requirements.”

Qualification and taxation as a REIT depends on our ability to meet, on a continuing basis, through actual results of operations, distribution levels, diversity of unit ownership and various qualification requirements imposed upon REITs by the Code, discussed below. In addition, our ability to qualify as a REIT may depend in part upon the operating results, organizational structure and entity classification for U.S. federal income tax purposes of certain entities in which we invest, which we may not control. Our ability to qualify as a REIT also requires that we satisfy certain asset and income tests, some of which depend upon the fair market values of assets directly or indirectly owned by us or which serve as security for loans made by us. Such values may not be susceptible to a precise determination. Accordingly, no assurance can be given that the actual results of our operations for any taxable year will satisfy the requirements for qualification and taxation as a REIT.

We also intend to operate in conformity with the requirements for the Fund to be treated as an Opportunity Fund. Treatment of the Fund as an Opportunity Fund involves complying with technical and operational requirements that differ from and will be in addition to the requirements for the Fund to be treated as a REIT. Our ability to comply with the requirements to be treated as an Opportunity Fund is subject to uncertainty, and many aspects regarding Opportunity Funds are unclear. Investors should carefully review the below section “Opportunity Fund Considerations.”

It is intended that the Operating Partnership be treated, under applicable U.S. Treasury regulations, as a partnership rather than as a corporation for U.S. federal income tax purposes. An entity that is otherwise classified as a partnership may be treated as an association taxable as a corporation for U.S. federal income tax purposes if it is a “publicly traded partnership” (“PTP”), which is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof. The Operating Partnership intends to qualify for one or more safe harbors so that the Operating Partnership is not treated as a PTP. The Operating Partnership will generally not be subject to U.S. federal income tax, but each member of the Operating Partnership, including the Fund, generally will be required to report for U.S. federal income tax purposes each year its distributive share (whether or not distributed) of the income, gains, losses, deductions and credits of the Operating Partnership. Each item generally will have the same character and source as though the partner had realized the item directly. The remainder of this discussion assumes that the Operating Partnership is treated as a partnership for U.S. federal income tax purposes.

Opportunity Fund Considerations

Opportunity Fund Requirements

As discussed above, we intend to operate in conformity with the requirements to be classified as a “qualified opportunity fund,” pursuant to Section 1400Z-2 of the Code and any subsequently issued guidance thereunder. Consistent with that intent, we intend to file a certification with our U.S. federal income tax return certifying our status as an Opportunity Fund.

In general, an Opportunity Fund is any investment vehicle organized as a corporation or a partnership for the purpose of investing in Qualified Property and that holds at least 90% of its assets in Qualified Property. We are organized as a limited partnership but, as discussed above, and intend to elect to be treated as a REIT for federal income tax purposes. There is no guidance to date under Section 1400Z-2 of the Code confirming that an entity

classified as a REIT may be an Opportunity Fund, but we believe that the Fund should be eligible to be an Opportunity Fund because it is organized as a partnership and, as a result of making a REIT election, will be treated as both a REIT and a corporation for federal income tax purposes. If guidance is issued before the date on which we must finally determine to elect REIT status and such guidance clarifies that our intended structure would not qualify as an Opportunity Fund or that an alternative structure would be more likely to achieve our objectives, as our Manager may determine in good faith, our Manager may cause the Fund to be treated as either a partnership or a taxable corporation for federal income tax purposes, rather than a REIT.

The 90% asset test noted above will be applied by calculating the average between the percentage of Qualified Property we own on the last day of the first six-month period of our taxable year and the percentage we own on the last day of our taxable year. We intend to meet this requirement by investing substantially all of the contributions we receive from unitholders into the Operating Partnership in exchange for a partnership interest, and by having the Operating Partnership invest substantially all of its assets directly or indirectly in property located in designated opportunity zones. As more fully discussed below, we expect that our interest in the Operating Partnership will be treated as Qualified Property, provided the interest satisfies the additional requirements that apply to “qualified opportunity zone partnership interests.”

Qualified Opportunity Zone Property

Qualified Property includes (i) “qualified opportunity zone stock,” (ii) “qualified opportunity zone partnership interests” and (iii) “qualified opportunity zone business property.” Qualified opportunity zone stock includes newly-issued stock in an entity classified as a domestic corporation for U.S. federal tax purposes, where the corporation’s only trade or business is a “qualified opportunity zone business.” The stock also must be acquired after December 31, 2017 solely in exchange for cash. A qualified opportunity zone partnership interest includes any capital or profits interest in an entity classified as a domestic partnership for U.S. federal tax purposes, where the only trade or business of the partnership is a qualified opportunity zone business (or, in the case of a new partnership, the partnership was organized for the purposes of being a qualified opportunity zone business), and the capital or profits interest is acquired by an Opportunity Fund directly from the partnership after December 31, 2017 solely in exchange for cash.

Qualified opportunity zone business property is tangible property used in a trade or business of an Opportunity Fund, if (i) the property was acquired by the Opportunity Fund by purchase from an unrelated party after December 31, 2017, (ii) either the original use of the property in the opportunity zone commences with the Opportunity Fund or the Opportunity Fund substantially improves the property and (iii) during substantially all of the Opportunity Fund’s holding period of the property, substantially all of the use of the property was in an opportunity zone. A property is generally considered substantially improved if, after any 30-month period after the property is acquired, the Opportunity Fund’s additions to the property’s basis exceed the adjusted basis of the property at the beginning of the period.

The requirements for qualified opportunity stock and qualified opportunity partnership interests are heavily dependent on the corporation or partnership, respectively, being a “qualified opportunity zone business.” In order to be a qualified opportunity zone business, a corporation or partnership must meet the following requirements:

- (i) substantially all of the tangible property owned or leased by the entity consists of qualified opportunity zone business property;
- (ii) the entity must make at least 50% of its gross income from the active conduct of the qualified opportunity zone business;
- (iii) a substantial portion of the entity’s intangible property (e.g., licenses and trademarks) must be used in the qualified opportunity zone business;
- (iv) certain financial property besides working capital (e.g., stocks and bonds) must be less than 5% of the entity’s assets; and

(v) the entity does not operate or lease land in certain enumerated prohibited business categories (e.g., golf courses and racetracks).

The Operating Partnership intends to meet the requirements for an interest in the Operating Partnership to be treated as a qualified opportunity zone partnership interest. However, the Operating Partnership is a newly-created entity and may not own any qualified opportunity zone business property for some time after its formation. In order to be treated as qualified opportunity zone business, the Operating Partnership expects to rely in part on the rule allowing a new partnership organized for the purposes of being a qualified opportunity zone business to be treated as in a qualified opportunity zone business. The Operating Partnership also expects to take the position that its cash reserved for investment will not be treated as disqualified financial property under the rules noted above. There is no guidance on the contours of the partnership “start-up” rule or the treatment of cash awaiting investment in Qualified Property. As a result of these and other potential areas of uncertainty, the ability for an interest in the Operating Partnership to be treated as a qualified opportunity zone partnership interest from the time of the Operating Partnership’s formation is unclear.

Related Party Arrangements

As discussed above under “Investment Objectives and Strategy—Related Party Loans and Warehousing of Assets,” it is possible that we will engage in related-party lending arrangements, the purchase of real estate-related assets from another Fundrise entity (“warehouse investments”) or a combination of each. The Opportunity Fund rules contain certain prohibitions on transactions with related parties, which may constrain our ability to engage in such related-party transactions.

For purposes of the Opportunity Fund rules, persons are considered to be related to each other through the application of complex attribution rules, which generally treat certain entities and individuals as related if there is a 20% beneficial ownership overlap between entities and the persons that own the entities. While the application of the related-party rules is not entirely clear, we intend to structure any related-party lending or warehouse investment arrangements in a manner that avoids the application of the Opportunity Fund related-party rules. However, there can be no assurance that our related-party lending or warehouse investment arrangements will not be subject to the Opportunity Fund related-party rules, and these related-party transactions may increase the risk that we will fail to qualify as an Opportunity Fund.

Failure to Maintain Opportunity Fund Status

In the event that we do not meet requirement for at least 90% of our assets to be treated as Qualified Property, we would be subject to a penalty for each month we do not meet the 90% test. The penalty is an amount calculated as the (i) the excess of the amount equal to 90% of the Fund’s aggregate assets, over the aggregate amount of Qualified Property held by the Fund, multiplied by (ii) the Federal short-term rate (as determined by the IRS) plus 3 percentage points. It is unclear how this determination will be made. No penalty would be imposed with respect to a failure to meet the 90% requirement if we were able to show that the failure is due to reasonable cause, though there is no guidance regarding what reasonable cause would entail.

If our interest in the Operating Partnership failed to qualify as a qualified opportunity zone partnership interest, and we were not able to establish reasonable cause, the penalty might be significantly greater than if we had invested in Qualified Property directly because the excess amount described in clause (i) above generally would be equal to the fair market value of our entire interest in the Operating Partnership. In the event that we were subject to the penalty, the amount of the penalty generally would be treated as a Fund expense, which could adversely impact the returns of the Fund, perhaps substantially.

The various requirements for us to be treated as an Opportunity Fund and for an interest in the Operating Partnership to be treated as a qualified opportunity zone partnership interest are complex, unclear and require significant regulatory or other formal guidance. In addition, given that the Opportunity Fund rules were only recently enacted as part of the TCJA, standard practices for structuring Opportunity Fund have not been established. ***Each investor, therefore, is urged to consult their own tax advisors regarding any investment in the Fund, the Fund’s intended approach for qualifying as an Opportunity Fund and the considerable uncertainty in this area.***

Taxation of REITs in General

Provided that we qualify as a REIT, we will generally be entitled to a deduction for dividends that we pay and, therefore, will not be subject to U.S. federal corporate income tax on our net taxable income that is currently distributed to our unitholders. This treatment substantially eliminates the “double taxation” at the corporate and unitholder levels that results generally from investment in a corporation. Rather, income generated by a REIT is generally taxed only at the unitholder level, upon a distribution of dividends by the REIT.

Even if we qualify for taxation as a REIT, however, we will be subject to U.S. federal income taxation as follows:

- We will be taxed at regular U.S. federal corporate rates on any undistributed income, including undistributed cashless income such as accrued but unpaid interest.
- If we have net income from “prohibited transactions,” which are, in general, sales or other dispositions of property held primarily for sale to customers in the ordinary course of business, other than foreclosure property, such income will be subject to a 100% tax. See “—Prohibited Transactions” and “—Foreclosure Property” below.
- If we elect to treat property that we acquire in connection with a foreclosure of a mortgage loan or from certain leasehold terminations as “foreclosure property,” we may thereby avoid (1) the 100% tax on gain from a resale of that property (if the sale would otherwise constitute a prohibited transaction) and (2) treating any income from such property as non-qualifying for purposes of the REIT gross income tests discussed below, provided however, that the gain from the sale of the property or net income from the operation of the property that would not otherwise qualify for the 75% income test but for the foreclosure property election will be subject to U.S. federal corporate income tax at the highest applicable rate (currently 21%).
- If we fail to satisfy the 75% gross income test or the 95% gross income test, as discussed below, but nonetheless maintain our qualification as a REIT because other requirements are met, we will be subject to a 100% tax on an amount equal to (1) the greater of (A) the amount by which we fail the 75% gross income test or (B) the amount by which we fail the 95% gross income test, as the case may be, multiplied by (2) a fraction intended to reflect profitability.
- If we fail to satisfy any of the REIT asset tests, as described below, other than a failure of the 5% or 10% REIT asset tests that do not exceed a statutory *de minimis* amount as described more fully below, but our failure is due to reasonable cause and not due to willful neglect and we nonetheless maintain our REIT qualification because of specified cure provisions, we will be required to pay a tax equal to the greater of \$50,000 or the highest corporate tax rate of the net income generated by the non-qualifying assets during the period in which we failed to satisfy the asset tests.
- If we fail to satisfy any provision of the Code that would result in our failure to qualify as a REIT (other than a gross income or asset test requirement) and the violation is due to reasonable cause and not due to willful neglect, we may retain our REIT qualification but we will be required to pay a penalty of \$50,000 for each such failure.
- If we fail to distribute during each calendar year at least the sum of (1) 85% of our REIT ordinary income for such year, (2) 95% of our REIT capital gain net income for such year and (3) any undistributed taxable income from prior periods (or the required distribution), we will be subject to a 4% excise tax on the excess of the required distribution over the sum of (A) the amounts actually distributed (taking into account excess distributions from prior years), plus (B) retained amounts on which income tax is paid at the corporate level.
- We may be required to pay monetary penalties to the IRS in certain circumstances, including if we fail to meet record-keeping requirements intended to monitor our compliance with rules relating to the composition of our unitholders, as described below in “—Requirements for Qualification as a REIT.”

- A 100% excise tax may be imposed on some items of income and expense that are directly or constructively paid between us and any TRS and any other TRSs we may own if and to the extent that the IRS successfully adjusts the reported amounts of these items because the reported amounts were not consistent with arm's length amounts.
- If we acquire appreciated assets from a corporation that is not a REIT in a transaction in which the adjusted tax basis of the assets in our hands is determined by reference to the adjusted tax basis of the assets in the hands of the non-REIT corporation, we may be subject to tax on such appreciation at the highest corporate income tax rate then applicable if we subsequently recognize gain on a disposition of any such assets during the 5-year period following their acquisition from the non-REIT corporation.
- We may elect to retain and pay U.S. federal income tax on our net long-term capital gain. In that case, a unitholder would include its proportionate share of our undistributed long-term capital gain in its income (to the extent we make a timely designation of such gain to the unitholder), would be deemed to have paid the tax that it paid on such gain, and would be allowed a credit for its proportionate share of the tax deemed to have been paid, and an adjustment would be made to increase the unitholder's basis in our common units.
- We may own subsidiaries that will elect to be treated as TRSs and we may hold investments through such TRSs, the earnings of which will be subject to U.S. federal corporate income tax.

In addition, we may be subject to a variety of taxes other than U.S. federal income tax, including state, local, and non-U.S. income, franchise, property, transfer and other taxes.

Requirements for Qualification as a REIT

We intend in the future to elect to be taxable as a REIT for U.S. federal income tax purposes. In order to have so qualified, we must have met and continue to meet the requirements discussed below (or as in effect for prior years), relating to our organization, ownership, sources of income, nature of assets and distributions of income to stockholders.

The Code defines a REIT as a corporation, trust or association:

- (1) that is managed by one or more trustees or directors;
- (2) the beneficial ownership of which is evidenced by transferable units or by transferable certificates of beneficial interest;
- (3) that would be taxable as a domestic corporation but for its election to be subject to tax as a REIT under Sections 856 through 860 of the Code;
- (4) that is neither a financial institution nor an insurance company subject to specific provisions of the Code;
- (5) commencing with its second REIT taxable year, the beneficial ownership of which is held by 100 or more persons during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months;
- (6) in which, during the last half of each taxable year, commencing with its second REIT taxable year, not more than 50% in value of the outstanding stock is owned, directly or indirectly, by five or fewer "individuals" as defined in the Code to include specified entities (the "5/50 Test");
- (7) that makes an election to be a REIT for the current taxable year or has made such an election for a previous taxable year that has not been terminated or revoked and satisfies all relevant filing and other administrative requirements established by the IRS that must be met to elect and maintain REIT status;
- (8) that has no earnings and profits from any non-REIT taxable year at the close of any taxable year;

(9) that uses the calendar year for U.S. federal income tax purposes and complies with the record keeping requirements of the Code and the Treasury Regulations promulgated thereunder; and

(10) that meets other tests described below, including with respect to the nature of its income and assets and the amount of its distributions.

For purposes of condition (1), “directors” generally means persons treated as “directors” for purposes of the Investment Company Act, which we believe includes our Manager. Our units are generally freely transferable, and we believe that the restrictions on ownership and transfers of our units do not prevent us from satisfying condition (2). Although we are organized as a limited partnership, for U.S. federal income tax purposes we elected to be classified as a corporation in compliance with condition (3). We believe that the units sold in this offering will allow us to timely comply with condition (6). However, depending on the number of unitholders who subscribe for units in this offering and the timing of subscriptions, we may need to conduct an additional offering of preferred units to timely comply with (5). For purposes of determining stock ownership under condition (6) above, a certain stock bonus, pension, or profit-sharing plan, supplemental unemployment compensation benefits plan, a private foundation and a portion of a trust permanently set aside or used exclusively for charitable purposes generally are each considered an individual. A trust that is a qualified trust under Code Section 401(a) generally is not considered an individual, and beneficiaries of a qualified trust generally are treated as holding units of a REIT in proportion to their actuarial interests in the trust for purposes of condition (6) above.

To monitor compliance with the unit ownership requirements, we are generally required to maintain records regarding the actual ownership of our units. Provided we comply with these record keeping requirements and that we would not otherwise have reason to believe we fail the 5/50 Test after exercising reasonable diligence, we will be deemed to have satisfied the 5/50 Test. In addition, our limited partnership agreement provides restrictions regarding the ownership and transfer of our units, which are intended to assist us in satisfying the unit ownership requirements described above.

For purposes of condition (9) above, we will use a calendar year for U.S. federal income tax purposes, and we intend to continue to comply with the applicable recordkeeping requirements.

Effect of Subsidiary Entities

Ownership of Partnership Interests

In the case of a REIT that is a partner in an entity that is treated as a partnership for U.S. federal income tax purposes, such as the Operating Partnership, the REIT is deemed to own its proportionate share of the partnership’s assets and to earn its proportionate share of the partnership’s gross income based on its *pro rata* share of capital interests in the partnership for purposes of the asset and gross income tests applicable to REITs, as described below. However, solely for purposes of the 10% value test, described below, the determination of a REIT’s interest in partnership assets will be based on the REIT’s proportionate interest in any securities issued by the partnership, excluding for these purposes, certain excluded securities as described in the Code. For purposes of determining the amount of the REIT’s taxable income that must be distributed, or is subject to tax, the REIT’s share of partnership income is determined under the partnership tax provisions of the Code and will reflect any special allocations of income or loss that are not in proportion to capital interests. Income earned through partnerships retains its character for U.S. federal income tax purposes when allocated among its partners. We intend to obtain covenants from any partnerships in which we invest but do not control to operate in compliance with the REIT requirements, but we may not control any particular partnership into which we invest, and thus no assurance can be given that any such partnerships will not operate in a manner that causes us to fail an income or asset test requirement. In general, partnerships are not subject to U.S. federal income tax. However, if a partnership in which we invest is audited, it may be required to pay the hypothetical increase in partner level taxes (including interest and penalties) resulting from an adjustment of partnership tax items on the audit, unless the partnership elects an alternative method under which the taxes resulting from the adjustment (and interest and penalties) are assessed at the partner level. It is possible that partnerships in which we directly and indirectly invest may be subject to U.S. federal income tax, interest and penalties in the event of a U.S. federal income tax audit as a result of these law changes.

Disregarded Subsidiaries

If a REIT owns a corporate subsidiary that is a “qualified REIT subsidiary,” that subsidiary is disregarded for U.S. federal income tax purposes, and all assets, liabilities and items of income, deduction and credit of the subsidiary are treated as assets, liabilities and items of income, deduction and credit of the REIT itself, including for purposes of the gross income and asset tests applicable to REITs, as summarized below. A qualified REIT subsidiary is any corporation, other than a TRS, that is wholly-owned by a REIT, by other disregarded subsidiaries of a REIT or by a combination of the two. Single member limited liability companies or other domestic unincorporated entities that are wholly-owned by a REIT are also generally disregarded as separate entities for U.S. federal income tax purposes, including for purposes of the REIT gross income and asset tests unless they elect TRS status. Disregarded subsidiaries, along with partnerships in which we hold an equity interest, are sometimes referred to herein as “pass-through subsidiaries.”

In the event that a disregarded subsidiary ceases to be wholly-owned by us (for example, if any equity interest in the subsidiary is acquired by a person other than us or another disregarded subsidiary of ours), the subsidiary’s separate existence would no longer be disregarded for U.S. federal income tax purposes. Instead, it would have multiple owners and would be treated as either a partnership or a taxable corporation. Such an event could, depending on the circumstances, adversely affect our ability to satisfy the various asset and gross income tests applicable to REITs, including the requirement that REITs generally may not own, directly or indirectly, more than 10% of the value or voting power of the outstanding securities of another corporation. See “— Asset Tests” and “— Gross Income Tests.”

Taxable REIT Subsidiaries

A REIT, in general, may jointly elect with a subsidiary corporation, whether or not wholly-owned, to treat the subsidiary corporation as a TRS. The separate existence of a TRS or other taxable corporation, unlike a disregarded subsidiary as discussed above, is not ignored for U.S. federal income tax purposes. Accordingly, such an entity would generally be subject to U.S. federal income tax on its taxable income, which may reduce the cash flow generated by us and our subsidiaries in the aggregate and our ability to make distributions to our unitholders.

A REIT is not treated as holding the assets of a TRS or other taxable subsidiary corporation or as receiving any income that the subsidiary earns. Rather, the stock issued by the subsidiary is an asset in the hands of the REIT, and the REIT generally recognizes dividend income when it receives distributions of earnings from the subsidiary. This treatment can affect the gross income and asset test calculations that apply to the REIT, as described below. Because a parent REIT does not include the assets and income of its TRSs in determining the parent REIT’s compliance with the REIT requirements, such entities may be used by the parent REIT to undertake indirectly activities that the REIT rules might otherwise preclude the parent REIT from doing directly or through pass-through subsidiaries. If dividends are paid to us by one or more domestic TRSs we may own, then a portion of the dividends that we distribute to unitholders who are taxed at individual rates generally will be eligible for taxation at preferential qualified dividend income tax rates rather than at ordinary income rates. See “— Taxation of Taxable U.S. Unitholders” and “— Annual Distribution Requirements.”

We may hold certain investments through one or more TRSs, including property that we believe would be treated as held primarily for sale to customers in the ordinary course of our trade or business for U.S. federal income tax purposes and that cannot be sold within a statutory safe harbor to avoid the 100% tax on “prohibited transactions” that otherwise would apply to gain from the sale of such property. Generally, a TRS can perform impermissible tenant services without causing us to receive impermissible tenant services income from those services under the REIT income tests. A TRS may also engage in other activities that, if conducted by us other than through a TRS, could result in the receipt of non-qualified income or the ownership of non-qualified assets. However, several provisions regarding the arrangements between a REIT and its TRSs ensure that a TRS will be subject to an appropriate level of U.S. federal income taxation. For example, a TRS is limited in its ability to deduct interest payments made to us in excess of a certain amount. In addition, we will be obligated to pay a 100% penalty tax on some payments that we receive or certain other amounts or on certain expenses deducted by the TRS if the economic arrangements among us, our tenants and/or the TRS are not comparable to similar arrangements among unrelated parties. While we intend to manage the size of our TRSs and dividends from our TRSs in a manner that permits us to qualify as a REIT, it is possible that the equity investments appreciate to the point where our TRSs exceed the thresholds mandated by the REIT rules. In such cases, we could lose our REIT status if we are unable to satisfy certain exceptions for failing to satisfy the REIT income and asset tests. In any event, any earnings

attributable to equity interests held in TRSs or origination activity conducted by TRSs will be subject to U.S. federal corporate income tax, and the amount of such taxes could be substantial.

To the extent we hold an interest in a non-U.S. TRS, we may be required to include our portion of its earnings in our income irrespective of whether or not such non-U.S. TRS has made any distributions. Any such income will not be qualifying income for purposes of the 75% gross income test and may not be qualifying income for purposes of the 95% gross income test.

Gross Income Tests

In order to maintain our qualification as a REIT, we annually must satisfy two gross income tests. First, at least 75% of our gross income for each taxable year, excluding gross income from sales of inventory or dealer property in “prohibited transactions” and certain hedging and foreign currency transactions, must be derived from investments relating to real property or mortgages on real property, including “rents from real property,” dividends received from and gains from the disposition of other units of REITs, interest income derived from mortgage loans secured by real property or by interests in real property, and gains from the sale of real estate assets, including personal property treated as real estate assets, as discussed below (but not including certain debt instruments of publicly-offered REITs that are not secured by mortgages on real property or interests in real property), as well as income from certain kinds of temporary investments. Interest and gain on debt instruments issued by publicly offered REITs that are not secured by mortgages on real property or interests in real property are not qualifying income for purposes of the 75% income test. Second, at least 95% of our gross income in each taxable year, excluding gross income from prohibited transactions and certain hedging and foreign currency transactions, must be derived from some combination of income that qualifies under the 75% income test described above, as well as other dividends, interest, and gain from the sale or disposition of stock or securities, which need not have any relation to real property. For purposes of the 75% income test, gain from the sale or disposition of a debt instrument of publicly offered REITs that are not secured by mortgages on real property or interests in real property is non-qualifying income.

Rental Income

Rents we receive will qualify as rents from real property in satisfying the gross income requirements for a REIT described above only if several conditions are met. First, the amount of rent must not be based in whole or in part on the income or profits derived by any person from such real property. However, an amount received or accrued generally will not be excluded from the term “rents from real property” solely by reason of being based on a fixed percentage or percentages of receipts or sales. Second, rents received from a “related party tenant” will not qualify as rents from real property in satisfying the gross income tests unless the tenant is a TRS and either (i) at least 90% of the property is leased to unrelated tenants and the rent paid by the TRS is substantially comparable to the rent paid by the unrelated tenants for comparable space, or (ii) the property leased is a “qualified lodging facility,” as defined in Section 856(d)(9)(D) of the Code, or a “qualified health care property,” as defined in Section 856(e)(6)(D)(i) of the Code, and certain other conditions are satisfied. A tenant is a related party tenant if the REIT, or an actual or constructive owner of 10% or more of the REIT, actually or constructively owns 10% or more of the tenant. Third, if rent attributable to personal property, leased in connection with a lease of real property, is greater than 15% of the total rent received under such lease (determined based on the fair market values as of the beginning and end of the taxable year), then the portion of rent attributable to the personal property will not qualify as rents from real property.

Generally, for rents to qualify as rents from real property for the purpose of satisfying the gross income tests, we may provide directly only an insignificant amount of services, unless those services are “usually or customarily rendered” in connection with the rental of real property and not otherwise considered “rendered to the occupant.” Accordingly, we may not provide “impermissible services” to tenants (except through an independent contractor from whom we derive no revenue and that meets other requirements or through a TRS) without giving rise to “impermissible tenant service income.” Impermissible tenant service income is deemed to be at least 150% of the direct cost to us of providing the service. If the impermissible tenant service income exceeds 1% of our total income from a property, then all of the income from that property will fail to qualify as rents from real property. If the total amount of impermissible tenant service income from a property does not exceed 1% of our total income from the

property, the services will not disqualify any other income from the property that qualifies as rents from real property, but the impermissible tenant service income will not qualify as rents from real property.

We do not anticipate deriving rents based in whole or in part on the income or profits of any person, rents from related party tenants, and/or rents attributable to personal property leased in connection with real property that exceeds 15% of the total rents from that property, in sufficient amounts to jeopardize our status as REIT. We also do not anticipate deriving impermissible tenant service income that exceeds 1% of our total income from any property if the treatment of the rents from such property as non-qualifying rents would jeopardize our status as a REIT.

Dividend Income

We may receive material distributions from our TRSs. These distributions are generally classified as dividend income to the extent of the earnings and profits of the distributing corporation. Such distributions generally constitute qualifying income for purposes of the 95% gross income test, but not the 75% gross income test.

If we invest in an entity treated as a “passive investment foreign company” or “controlled foreign corporation” for U.S. federal income tax purposes, we could be required to include our portion of its earnings in our income prior to the receipt of any distributions. Any such income inclusions would not be treated as qualifying income for purposes of the 75% gross income test and may not be qualifying income for purposes of the 95% gross income test.

Sale-Leaseback Transactions

We may enter into sale-leaseback transactions. It is possible that the IRS could take the position that specific sale-leaseback transactions (or certain other leases) we treat as true leases are not true leases for U.S. federal income tax purposes but are, instead, financing arrangements or loans. Successful recharacterization of a sale-leaseback transaction (or any other lease) as a financing arrangement or loan could jeopardize our REIT status.

Failure to Satisfy the Gross Income Tests

We intend to monitor our sources of income, including any non-qualifying income received by us, and manage our assets so as to ensure our compliance with the gross income tests. We cannot assure you, however, that we will be able to satisfy the gross income tests. If we fail to satisfy one or both of the 75% or 95% gross income tests for any taxable year, we may still qualify as a REIT for the year if we are entitled to relief under applicable provisions of the Code. These relief provisions will generally be available if our failure to meet these tests was due to reasonable cause and not due to willful neglect and, following the identification of such failure, we set forth a description of each item of our gross income that satisfies the gross income tests in a schedule for the taxable year filed in accordance with the Treasury Regulations. It is not possible to state whether we would be entitled to the benefit of these relief provisions in all circumstances. If these relief provisions are inapplicable to a particular set of circumstances involving us, we will not qualify as a REIT. As discussed above under “—Taxation of REITs in General,” even where these relief provisions apply, a tax would be imposed upon the profit attributable to the amount by which we fail to satisfy the particular gross income test.

Asset Tests

At the close of each calendar quarter, we must also satisfy five tests relating to the nature of our assets. First, at least 75% of the value of our total assets must be represented by some combination of “real estate assets,” cash, cash items, and U.S. Government securities. For this purpose, real estate assets include loans secured by mortgages on real property or on interests in real property to the extent described below, certain mezzanine loans and mortgage backed securities as described below, interests in real property (such as land, buildings, leasehold interests in real property and personal property leased with real property if the rents attributable to the personal property would be rents from real property under the income tests discussed above), units in other qualifying REITs, debt instruments issued by publicly offered REITs, and stock or debt instruments held for less than one year purchased with the proceeds from an offering of units of our stock or certain debt. Second, not more than 25% of our assets may be represented by securities other than those in the 75% asset test. Third, of the assets that do not qualify for purposes of the 75% test and that are not securities of our TRSs: (i) the value of any one issuer’s securities owned by us may not exceed 5% of the value of our gross assets, and (ii) we generally may not own more than 10% of any one issuer’s outstanding securities, as measured by either voting power or value. Fourth, the aggregate value of all

securities of TRSs held by us may not exceed 20% of the value of our gross assets. Fifth, not more than 25% of the value of our gross assets may be represented by debt instruments of publicly offered REITs that are not secured by mortgages on real property or interests in real property.

The 10% value test does not apply to certain “straight debt” and other excluded securities, as described in the Code, including any loan to an individual or an estate, any obligation to pay rents from real property and any security issued by a REIT. In addition, (1) a REIT’s interest as a partner in a partnership is not considered a security for purposes of applying the 10% value test; (2) any debt instrument issued by a partnership (other than straight debt or other excluded security) will not be considered a security issued by the partnership if at least 75% of the partnership’s gross income is derived from sources that would qualify for the 75% REIT gross income test; and (3) any debt instrument issued by a partnership (other than straight debt or other excluded security) will not be considered a security issued by the partnership to the extent of the REIT’s interest as a partner in the partnership.

For purposes of the 10% value test, “straight debt” means a written unconditional promise to pay on demand on a specified date a sum certain in money if (1) the debt is not convertible, directly or indirectly, into stock and (2) the interest rate and interest payment dates are not contingent on profits, the borrower’s discretion, or similar factors other than certain contingencies relating to the timing and amount of principal and interest payments, as described in the Code. In the case of an issuer which is a corporation or a partnership, securities that otherwise would be considered straight debt will not be so considered if we, and any of our “controlled taxable REIT subsidiaries” as defined in the Code, hold any securities of the corporate or partnership issuer which (A) are not straight debt or other excluded securities (prior to the application of this rule), and (B) have an aggregate value greater than 1% of the issuer’s outstanding securities (including, for the purposes of a partnership issuer, our interest as a partner in the partnership). As a result, the straight debt exception would not be available to us with respect to a loan where we also hold an equity participation in the borrower through a TRS.

We believe that our assets have complied or will comply with the above asset tests commencing with the close of our first calendar quarter and that we can operate so that we can continue to comply with those tests. However, our ability to satisfy these asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals. For example, we may hold significant assets through our TRSs, and we cannot provide any assurance that the IRS will not disagree with our determinations.

Failure to Satisfy Asset Tests

After initially meeting the asset tests at the close of any quarter, we will not lose our qualification as a REIT for failure to satisfy the asset tests at the end of a later quarter solely by reason of changes in asset values. If we fail to satisfy the asset tests because we acquire assets during a quarter, we can cure this failure by disposing of sufficient non-qualifying assets within 30 days after the close of that quarter. If we fail the 5% asset test, or the 10% vote or value asset tests at the end of any quarter and such failure is not cured within 30 days thereafter, we may dispose of sufficient assets (generally within six months after the last day of the quarter in which the identification of the failure to satisfy these asset tests occurred) to cure such a violation that does not exceed the lesser of 1% of our assets at the end of the relevant quarter or \$10 million. If we fail any of the other asset tests or our failure of the 5% and 10% asset tests is in excess of the de minimis amount described above, as long as such failure was due to reasonable cause and not willful neglect, we are permitted to avoid disqualification as a REIT, after the 30 day cure period, by taking steps, including the disposition of sufficient assets to meet the asset test (generally within six months after the last day of the quarter in which we identified the failure to satisfy the REIT asset test) and paying a tax equal to the greater of (x) \$50,000 or (y) the amount determined by multiplying the net income generated during a specified period by the assets that cause the failure by the highest U.S. federal income tax rate applicable to corporations.

Hedging Transactions

We may enter into hedging transactions with respect to one or more of our assets or liabilities. Hedging transactions could take a variety of forms, including interest rate swap agreements, interest rate cap agreements, options, forward rate agreements or similar financial instruments. Except to the extent provided by Treasury Regulations, any income from a hedging transaction, including gain from the sale or disposition of such a transaction, will not constitute gross income for purposes of the 75% or 95% gross income test if (i) we enter into the hedging transaction in the normal course of business primarily to manage risk of interest rate or price changes or

currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, to acquire or carry real estate assets, and the hedge is clearly identified as specified in Treasury Regulations before the close of the day on which it was acquired, originated, or entered into, (ii) we enter into the hedging transaction primarily to manage risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the 75% or 95% gross income tests or (iii) we enter into the hedging transaction that hedges against transactions described in clause (i) or (ii) and is entered into in connection with the extinguishment of debt or sale of property that are being hedged against by the transactions described in clauses (i) or (ii) and the hedge complies with certain identification requirements. To the extent that we enter into other types of hedging transactions, including hedges of interest rates on any debt we acquire as assets, or do not make proper tax identifications, as applicable, the income from those transactions is likely to be treated as non-qualifying income for purposes of both of the 75% and 95% gross income tests. We intend to structure any hedging transactions in a manner that does not jeopardize its qualification as a REIT, but there can be no assurance that we will be successful in this regard. No assurances can be given, however, that our hedging activities will not give rise to income that does not qualify for purposes of either or both of the gross income tests and that such income will not adversely affect our ability to satisfy the REIT qualification requirements.

Investments in Loans

We are not limited by our organizational documents in our ability to make investments in loans, though we may not make loans as a result of our intent to comply with the requirements to be treated as an Opportunity Fund, as discussed below. Except as provided below, in cases where a mortgage loan is secured by both real property and other property, if the outstanding principal balance of a mortgage loan during the year exceeds the value of the real property securing the loan at the time we committed to acquire the loan, which may be the case, for instance, if we acquire a “distressed” mortgage loan, including with a view to acquiring the collateral, a portion of the interest accrued during the year will not be qualifying income for purposes of the 75% gross income test applicable to REITs. Similarly, if the value of the mortgage loan exceeds the greater of (i) the current value of the real property securing the loan and (ii) the value of the real property securing the loan at the time we committed to acquire the loan, such excess will not be a qualifying real estate asset. Furthermore, we may be required to retest modified loans that we hold to determine if the modified loan is adequately secured by real property as of the modification date. If the IRS were to assert successfully that our mortgage loans were not properly secured by real estate or that the value of the real estate collateral (at the time of testing, commitment or retesting, as applicable) was otherwise less than the amount of the loan or the value of the loan, as applicable, we could, as mentioned, earn income that is not qualifying for the 75% income test and also be treated as holding a non-real estate investment in whole or part, which could result in our failure to qualify as a REIT. However, a mortgage loan secured by both real property and personal property is treated as a qualifying real estate asset and gives rise to qualifying income for purposes of the 75% income test if the fair market value of such personal property does not exceed 15% of the total fair market value of all such property even if the real property collateral value is less than the outstanding principal balance of the loan.

We may originate or acquire mortgage or mezzanine loans. The IRS has provided a safe harbor with respect to the treatment of a mezzanine loan as a mortgage loan and therefore as a qualifying asset that generates qualifying income for purposes of the REIT asset tests, but not rules of substantive law. Pursuant to the safe harbor, if a mezzanine loan meets certain requirements, it will be treated by the IRS as a qualifying real estate asset for purposes of the REIT asset tests, and interest derived from the mezzanine loan will be treated as qualifying mortgage interest for purposes of the REIT 75% income test. However, structuring a mezzanine loan to meet the requirements of the safe harbor may not always be practical. To the extent that any of our mezzanine loans do not meet all of the requirements for reliance on the safe harbor, such loans might not be properly treated as qualifying mortgage loans for REIT purposes.

To the extent that the terms of a loan provide for contingent interest that is based on the cash proceeds realized upon the sale of the property securing the loan (or a shared appreciation provision), income attributable to the participation feature will be treated as gain from sale of the underlying property for purposes of the income tests, and generally will be qualifying income for purposes of both the 75% and 95% gross income tests, provided that the property is not inventory or dealer property in the hands of the borrower or us. To the extent that we derive interest income from a loan where all or a portion of the amount of interest payable is contingent, such income generally will

qualify for purposes of the gross income tests only if it is based upon the gross receipts or sales and not the net income or profits of any person.

We may hold loans with relatively high loan-to-value ratios and/or high yields. Additionally, we may receive equity interests in our borrowers in connection with originating our loans. These features can cause a loan to be treated as equity for U.S. federal income tax purposes. If the IRS were to successfully challenge our treatment of a loan as debt for U.S. federal income tax purposes, we could be deemed to hold non-qualifying assets or to earn non-qualifying income, depending on the assets and activities of the issuer, which in turn could adversely affect our ability to qualify as a REIT.

We may hold indirect participation interests in some loans, rather than direct ownership of the loan. We generally expect to treat our participation interests as an undivided ownership interest in the underlying loan, and thus as a qualifying real estate asset for purposes of the REIT asset tests that also generates qualifying mortgage interest for purposes of the 75% gross income test to the extent that the loan underlying the participation is a qualifying real estate mortgage. The appropriate treatment of participation interests for U.S. federal income tax purposes is not entirely certain, however, and no assurance can be given that the IRS will not challenge our treatment of our participation interests.

Certain Equity Investments

We are not limited in our ability to hold certain equity investments (with rights to receive preferred economic returns) in entities treated as partnerships for U.S. federal income tax purposes. In some, or many, cases, the proper characterization of such an equity investment in a partnership as unsecured indebtedness or as equity for U.S. federal income tax purposes may be unclear. Characterization of such an equity investment as unsecured debt for U.S. federal income tax purposes would subject the investment to the various asset test limitations on investments in unsecured debt, and our preferred return would be treated as non-qualifying income for purposes of the 75% gross income test (but we would not have to include our share of the underlying assets and income of the issuer in our tests). Thus, if the IRS successfully challenged our characterization of an investment as equity for U.S. federal income tax purposes, we could fail an income or asset test. Moreover, at least one IRS internal memorandum would treat the preferred return on such equity investments as interest income for purposes of the REIT income tests, which treatment would cause such amounts to be nonqualifying income for purposes of the 75% gross income test. Although we do not believe that interest income treatment is appropriate, and that analysis was not followed in subsequent IRS private letter rulings, the IRS could re-assert that position. In addition, if the underlying property is dealer property and our equity investment (with rights to receive preferred economic returns) is treated as equity for U.S. federal income tax purposes, our gains from the sale of the property would be subject to 100% tax.

Annual Distribution Requirements

In order to qualify as a REIT, we are required to distribute dividends, other than capital gain dividends, to our unitholders in an amount at least equal to:

- (a) the sum of:
 - 90% of our “REIT taxable income” (computed without regard to its deduction for dividends paid and its net capital gains); and
 - 90% of the net income (after tax), if any, from foreclosure property (as described below); minus
- (b) the sum of specified items of non-cash income that exceeds a percentage of our income.

These distributions must be paid in the taxable year to which they relate or in the following taxable year if such distributions are declared in October, November or December of the taxable year, are payable to unitholders of record on a specified date in any such month and are actually paid before the end of January of the following year. Such distributions are treated as both paid by us and received by each unitholder on December 31 of the year in which they are declared. In addition, at our election, a distribution for a taxable year may be declared before we timely file our tax return for the year and be paid with or before the first regular dividend payment after such

declaration, provided that such payment is made during the 12-month period following the close of such taxable year. These distributions are taxable to our unitholders in the year in which paid, even though the distributions relate to our prior taxable year for purposes of the 90% distribution requirement.

In order for distributions to be counted towards our distribution requirement and to give rise to a tax deduction by us, they must not be “preferential dividends.” A dividend is not a preferential dividend if it is *pro rata* among all outstanding units of stock within a particular class and is in accordance with the preferences among different classes of stock as set forth in the organizational documents. To avoid paying preferential dividends, we must treat every unitholder of the class of units with respect to which we make a distribution the same as every other unitholder of that class, and we must not treat any class of units other than according to its dividend rights as a class. Under certain technical rules governing deficiency dividends, we could lose our ability to cure an under-distribution in a year with a subsequent year deficiency dividend if we pay preferential dividends. Preferential dividends potentially include “dividend equivalent redemptions.” Accordingly, we intend to pay dividends *pro rata* within each class, and to abide by the rights and preferences of each class of our units if there is more than one, and will seek to avoid dividend equivalent redemptions. (See “— Taxation of U.S. Unitholders — Redemptions of Common Units” below for a discussion of when redemptions are dividend equivalent and measures we intend to take to avoid them.) If, however, we qualify as a “publicly offered REIT” (within the meaning of Section 562(c) of the Code) in the future, the preferential dividend rules will cease to apply to us. In addition, the IRS is authorized to provide alternative remedies to cure a failure to comply with the preferential dividend rules, but as of the date hereof, no such authorized procedures have been promulgated.

To the extent that we distribute at least 90%, but less than 100%, of our “REIT taxable income,” as adjusted, we will be subject to tax at ordinary U.S. federal corporate tax rates on the retained portion. In addition, we may elect to retain, rather than distribute, our net long-term capital gains and pay tax on such gains. In this case, we could elect to have our unitholders include their proportionate share of such undistributed long-term capital gains in income and receive a corresponding credit or refund, as the case may be, for their proportionate share of the tax paid by us. Our unitholders would then increase the adjusted basis of their stock in us by the difference between the designated amounts included in their long-term capital gains and the tax deemed paid with respect to their proportionate units.

If we fail to distribute during each calendar year at least the sum of (1) 85% of our REIT ordinary income for such year, (2) 95% of our REIT capital gain net income for such year and (3) any undistributed taxable income from prior periods, we will be subject to a 4% excise tax on the excess of such required distribution over the sum of (x) the amounts actually distributed (taking into account excess distributions from prior periods) and (y) the amounts of income retained on which we have paid corporate income tax. We intend to make timely distributions so that we are not subject to the 4% excise tax.

It is possible that we, from time to time, may not have sufficient cash from operations to meet the distribution requirements, for example, due to timing differences between the actual receipt of cash and the inclusion of the corresponding items in income by us for U.S. federal income tax purposes prior to receipt of such income in cash or non-deductible expenditures. In the event that such shortfalls occur, to meet our distribution requirements it might be necessary to arrange for short-term, or possibly long-term, borrowings, use cash reserves, liquidate non-cash assets at rates or times that we regard as unfavorable or pay dividends in the form of taxable stock dividends. In the case of a taxable stock dividend, unitholders would be required to include the dividend as income and would be required to satisfy the tax liability associated with the distribution with cash from other sources.

We may be able to rectify a failure to meet the distribution requirements for a year by paying “deficiency dividends” to unitholders in a later year, which may be included in our deduction for dividends paid for the earlier year. In this case, we may be able to avoid losing our qualification as a REIT or being taxed on amounts distributed as deficiency dividends. However, we will be required to pay interest and a penalty based on the amount of any deduction taken for deficiency dividends.

In the event that we undertake a transaction (such as a tax-free merger) in which we succeed to earnings and profits of a taxable corporation, in addition to the distribution requirements above we also must distribute such non-REIT earnings and profits to our unitholders by the close the taxable year of the transaction. Such additional dividends are not deductible against our REIT taxable income. We may be able to rectify a failure to distribute any

such non-REIT earnings and profits by making distributions in a later year comparable to deficiency dividends noted above and paying an interest charge.

Liquidating distributions generally will be treated as dividends for purposes of the above rules to the extent of current earnings and profits in the year paid provided we complete our liquidation within 24 months following our adoption of a plan of liquidation. Compliance with this 24 month requirement could require us to sell assets at unattractive prices, distribute unsold assets to a “liquidating trust” for the benefit of our unitholders, or terminate our status as a REIT. The U.S. federal income tax treatment of a beneficial interest in a liquidating trust would vary significantly from the U.S. federal income treatment of ownership of our units.

Prohibited Transactions

Net income we derive from a prohibited transaction outside of a TRS is subject to a 100% tax unless the transaction qualifies for a statutory safe harbor discussed below. The term “prohibited transaction” generally includes a sale or other disposition of property (other than foreclosure property) that is held as inventory or primarily for sale to customers, in the ordinary course of a trade or business by a REIT. The 100% tax will not apply to gains from the sale of property held through a TRS or other taxable corporations (which are taxed at regular corporate rates).

It is possible that we could make investments that risk being characterized as investments in properties held primarily for sale to customers in the ordinary course of a trade or business. Thus, we intend to comply with the statutory safe harbor when selling properties outside of a TRS (or when our joint ventures sell properties outside of a TRS) that we believe might reasonably be characterized as held primarily for sale to customers in the ordinary course of a trade or business for U.S. federal income tax purposes, but compliance with the safe harbor may not always be practical. Moreover, because the determination of whether property is held primarily for sale to customers in the ordinary course of a trade or business is a question of fact that depends on all the facts and circumstances, the IRS or a court might disagree with our determination that any particular property was not so held and therefore assert that a non-safe harbored sale of such property was subject to the 100% penalty tax on the gain from the disposition of the property. One of the factors considered by the courts in determining whether a taxpayer held property primarily for sale to customers in the ordinary course of a trade or business is the frequency and continuity of sales. While the 100% tax will not apply to a safe-harbored sale, safe-harbored sales generally would be taken into account in assessing the frequency and continuity of our sales activity for purposes of analyzing sales outside of the safe harbor.

The potential application of the prohibited transactions tax could cause us to forego potential dispositions of other property or to forego other opportunities that might otherwise be attractive to us (such as developing property for sale), or to undertake such dispositions or other opportunities through a TRS, which would generally result in corporate income taxes being incurred. The amount of such TRS taxes could be substantial.

Foreclosure Property

Foreclosure property is real property and any personal property incident to such real property (1) that is acquired by a REIT as a result of the REIT having bid on the property at foreclosure or having otherwise reduced the property to ownership or possession by agreement or process of law after there was a default (or default was imminent) on a lease of the property or a mortgage loan held by the REIT and secured by the property, (2) for which the related loan or lease was acquired by the REIT at a time when default was not imminent or anticipated and (3) for which such REIT makes a proper election to treat the property as foreclosure property. REITs generally are subject to tax at the maximum U.S. federal corporate rate on any net income from foreclosure property, including any gain from the disposition of the foreclosure property, other than income that would otherwise be qualifying income for purposes of the 75% gross income test. Any gain from the sale of property for which a foreclosure property election is in effect will not be subject to the 100% tax on gains from prohibited transactions described above, even if the property would otherwise constitute inventory or property held for sale in the hands of the selling REIT.

Failure to Qualify

In the event that we violate a provision of the Code that would result in our failure to qualify as a REIT, we may nevertheless continue to qualify as a REIT under specified relief provisions available to us to avoid such disqualification if (i) the violation is due to reasonable cause and not due to willful neglect, (ii) we pay a penalty of \$50,000 for each failure to satisfy a requirement for qualification as a REIT and (iii) the violation does not include a violation under the gross income or asset tests described above (for which other specified relief provisions are available). This cure provision reduces the instances that could lead to our disqualification as a REIT for violations due to reasonable cause. If we fail to qualify for taxation as a REIT in any taxable year and none of the relief provisions of the Code apply, we will be subject to U.S. federal corporate income tax. Distributions to our unitholders in any year in which we are not a REIT will not be deductible by us, nor will they be required to be made. In this situation, to the extent of current or accumulated earnings and profits, and, subject to limitations of the Code, distributions to our unitholders will generally be taxable as qualified dividend income, and, subject to certain limitations, dividends in the hands of our corporate U.S. unitholders may be eligible for the dividends received deduction. Unless we are entitled to relief under the specific statutory provisions, we will also be disqualified from re-electing to be taxed as a REIT for the four taxable years following a year during which qualification was lost. It is not possible to state whether, in all circumstances, we will be entitled to statutory relief.

Taxation of Taxable U.S. Unitholders

This section summarizes the intended taxation of unitholders that are not tax exempt organizations.

Opportunity Fund Treatment for Electing Unitholders

There are several potential U.S. federal tax advantages that a unitholder may realize in connection with an investment in an Opportunity Fund, which may be applicable to an investment in the Fund if the Fund meets the requirements to be treated as an Opportunity Fund and carries out its operations as planned. However, there can be no assurance that we will meet these requirements or that a unitholder would realize any tax advantages as a result of an investment in the Fund.

Opportunity Funds offer unitholders a temporary deferral of gains from recent sales or exchanges in certain circumstances. Specifically, in the case of gain from the sale or exchange of property with an unrelated person, a unitholder may elect under Section 1400Z-2 of the Code to exclude such gain from gross income to the extent of any amount invested by the unitholder in an Opportunity Fund during the 180-day period beginning on the date of the sale or exchange. It is unclear if this gain needs to be capital gain or if the gain could be ordinary income, and prospective unitholders should consult their own tax advisors regarding which gains are eligible for this deferral. This temporary deferral ends upon the earlier of the unitholder's disposition of its interest in the Opportunity Fund or December 31, 2026. As a result, at the time of such disposition (or December 31, 2026, if earlier), and provided that the Fund qualifies as an Opportunity Fund, a unitholder that properly elects to treat its investment in the Fund as an Opportunity Fund investment will recognize gain in an amount equal to (x) the lesser of the unitholder's deferred gain or the fair market value of the unitholder's interest in the Fund minus (y) the tax basis of the unitholder's interest in the Fund (adjusted as described below). Such unitholders that hold their units until December 31, 2026, therefore, generally will need to utilize cash from sources other than the Fund to satisfy their tax obligations with respect to any deferred gain that is required to be recognized at that time.

An investment in an Opportunity Fund also allows a unitholder to permanently eliminate a portion of their deferred gains if they hold the Opportunity Fund interest for certain periods of time before December 31, 2026. Upon making an eligible investment in an Opportunity Fund, a unitholder's tax basis of their qualified interest in the Opportunity Fund is \$0, reflecting the temporary deferral of gain described above. If the unitholder holds this interest in the Opportunity Fund for at least five years (and the unitholder's five year holding period occurs before December 31, 2026), the unitholder's tax basis in the interest would be increased by 10% of the amount of the unitholder's deferred gain. If the unitholder further holds its interest in the Opportunity Fund for an additional two years (and the unitholder's seven year holding period occurs before December 31, 2026), the tax basis of the unitholder's interest in the Opportunity Fund would be increased by an additional 5% of the unitholder's deferred gain. As a result, once the unitholder has held an Opportunity Fund interest for seven years, the unitholder's tax basis would equal 15% of the unitholder's original deferred gain and the amount of gain the unitholder would recognize on December 31, 2026, or any earlier taxable disposition of the interest, would be no greater than 85% of the original deferred gain.

In addition, if a unitholder holds its interest in an Opportunity Fund for 10 years or more, the unitholder may elect to have the tax basis of the interest be equal to the fair market value of the interest on the date that the interest is sold or exchanged. If a unitholder in the Fund properly elected to treat its investment in the Fund as an Opportunity Fund investment and makes this further election upon holding an interest in the Fund for 10 or more years, and provided the Fund qualifies as an Opportunity Fund, then the unitholder would have no further gain and owe no tax in connection with the sale or exchange of the interest in the Fund. The application of this fair market value election is unclear, but it appears that, in order to take an advantage of the election, the unitholder must sell or redeem their interest in the Fund, and that the investor generally cannot take advantage of the election in connection with non-liquidating distributions from the Fund attributable to gain from the sale of individual properties. In the event that the Fund sells individual properties and distributes the proceeds in non-liquidating distributions to unitholders, the Fund expects that the proceeds generally would be treated as capital gains dividends and taxed accordingly (as discussed below in “—Distributions”).

If a unitholder makes an investment in an Opportunity Fund in an amount exceeding the unitholder’s gains that are eligible for deferral within the 180 day period, the unitholder’s investment is treated as two separate investments, consisting of one investment to which the unitholder’s election to treat the investment as an Opportunity Fund applies, and a separate investment consisting of other amounts invested. Therefore, if a unitholder invests an amount in an Opportunity Fund that exceeds the amount of the unitholder’s deferred gain, the unitholder would only be eligible for the tax benefits described above to the extent of the unitholder’s deferred gain, and other amounts invested in the Fund would be treated in the same manner as if the investment were not an Opportunity Fund. However, the Fund does not expect to treat a unitholder’s investment any differently to the extent that this “mixed funds” rule applies, and any adverse results the Fund may have relating to meeting the requirements to be an Opportunity Fund, such as the imposition of penalties, is expected to apply to a unitholder’s investment generally regardless of the portion of a unitholder’s investment to which the Opportunity Fund election applies.

The Fund intends to structure its operations such that the Operating Partnership will hold its investments for at least 10 years following the final closing of investor subscriptions to the Fund, subject to commercial, tax and other determinations made by the Manager that may result in the earlier sale or exchange of property. Once this 10-year period has been established, the Fund intends to adopt a plan of liquidation and dispose of its investment pursuant to that plan. The Fund intends to take the position that liquidating distributions made by the Fund to its unitholders generally will qualify as gains from the sale or disposition of the unitholders’ interests in the Fund, thus allowing unitholders that have elected to treat their investment as an Opportunity Fund investment to make the election described above to exclude from taxable income all of the gain they recognize from the Fund. The rules in this area are uncertain, however, and additional guidance issued during such 10-year period could substantially diminish or eliminate the Fund’s ability to effectively achieve this intended strategy. Investors are urged to consult with their tax advisors regarding all aspects of making a potential Opportunity Fund investment in the Fund.

Distributions

Provided that we qualify as a REIT, distributions made to our taxable unitholders out of our current or accumulated earnings and profits, and not designated as capital gain dividends, will generally be taken into account by them as ordinary dividend income and will not be eligible for the dividends received deduction for corporations. Dividends received from REITs are generally not eligible to be taxed at the preferential qualified dividend income rates applicable to individual unitholders who receive dividends from taxable subchapter C corporations. However, for taxable years beginning after December 31, 2017 and before January 1, 2026, and subject to certain limitations, non-corporate taxpayers may deduct up to 20% of certain qualified business income, including “qualified REIT dividends.” Qualified REIT dividends eligible for this deduction generally will include our dividends received by a non-corporate unitholder that we do not designate as capital gain dividends and that are not qualified dividend income. If we fail to qualify as a REIT, such unitholders may not claim this deduction with respect to dividends paid by us.

Distributions from us that are designated as capital gain dividends will be taxed to unitholders as long-term capital gains, to the extent that they do not exceed our actual net capital gain for the taxable year, without regard to the period for which the unitholder has held our units. To the extent that we elect under the applicable provisions of the Code to retain our net capital gains, unitholders will be treated as having received, for U.S. federal income tax purposes, our undistributed capital gains as well as a corresponding credit or refund, as the case may be, for taxes

paid by us on such retained capital gains. Unitholders will increase their adjusted tax basis in our common units by the difference between their allocable share of such retained capital gain and their share of the tax paid by us. Corporate unitholders may be required to treat up to 20% of some capital gain dividends as ordinary income. Long-term capital gains are generally taxable at maximum U.S. federal rates of 20% in the case of unitholders who are individuals and 21% for corporations. Capital gains attributable to the sale of depreciable real property held for more than 12 months generally are subject to a 25% maximum U.S. federal income tax rate for unitholders who are individuals, to the extent of previously claimed depreciation deductions.

Distributions from us in excess of our current or accumulated earnings and profits will not be taxable to a unitholder to the extent that they do not exceed the adjusted tax basis of the unitholder's common units in respect of which the distributions were made, but rather will reduce the adjusted tax basis of these units. To the extent that such distributions exceed the adjusted tax basis of a unitholder's common units, they will be treated as gain from the disposition of the units and thus will be included in income as long-term capital gain, or short-term capital gain if the units have been held for one year or less. Since a unitholder investing deferred gain generally will have a tax basis in the unitholder's common units of \$0, as discussed above, the unitholder should expect that distributions in excess of our current or accumulated earnings and profits may result in taxable gain without any amount being treated as a return of capital.

To the extent that we have available net operating losses and capital losses carried forward from prior tax years, such losses, subject to limitations, may reduce the amount of distributions that must be made in order to comply with the REIT distribution requirements. See “—Taxation of The Fund” and “—Annual Distribution Requirements.” Such losses, however, are not passed through to unitholders and do not offset income of unitholders from other sources, nor do they affect the character of any distributions that are actually made by us.

The treatment of distributions made to unitholders that have elected to treat their investment in the Fund as an Opportunity Fund investment may be different than those discussed above and should be considered by such unitholders with their tax advisors.

Dispositions of Our Common Units

In general, except as discussed above with respect to unitholders who elect to treat their investment in the Fund as an Opportunity Fund investment, capital gains recognized by individuals and other non-corporate unitholders upon the sale or disposition of our common units will be subject tax at capital gains rates, if such units were held for more than one year, and will be taxed at ordinary income rates if such units were held for one year or less. Gains recognized by unitholders that are corporations are subject to U.S. federal corporate income tax, whether or not classified as long-term capital gains.

Capital losses recognized by a unitholder upon the disposition of our common units held for more than one year at the time of disposition will be considered long-term capital losses (or short-term capital losses if the units have not been held for more than one year), and are generally available only to offset capital gain income of the unitholder but not ordinary income (except in the case of individuals, who may offset up to \$3,000 of ordinary income each year). In addition, any loss upon a sale or exchange of units of our common units by a unitholder who has held the units for six months or less, after applying holding period rules, will be treated as a long-term capital loss to the extent of distributions received from us that were required to be treated by the unitholder as long-term capital gain.

Redemptions of Common Units

A redemption of units will be treated under Section 302 of the Code as a taxable distribution unless the redemption satisfies one of the tests set forth in Section 302(b) of the Code enabling the redemption to be treated as a sale or exchange of the redeemed units. A redemption that is not treated as a sale or exchange will be taxed in the same manner as regular distributions (e.g., ordinary dividend income to the extent paid out of earnings and profits unless properly designated as a capital gain dividend), and a redemption treated as a sale or exchange will be taxed in the same manner as other taxable sales discussed above.

The redemption will be treated as a sale or exchange if it (i) is “substantially disproportionate” with respect to the unitholder, (ii) results in a “complete termination” of the unitholder's interest in us, or (iii) is “not essentially

equivalent to a dividend” with respect to the unitholder, all within the meaning of Section 302(b) of the Code. In determining whether any of these tests have been met, units considered to be owned by the unitholder by reason of certain constructive ownership rules set forth in the Code, as well as units actually owned, must generally be taken into account. Because the determination as to whether any of the alternative tests of Section 302(b) of the Code is satisfied with respect to any particular redemption will depend upon the facts and circumstances as of the time the determination is made and the constructive ownership rules are complicated, prospective unitholders are advised to consult their own tax advisers to determine such tax treatment.

If a redemption of units is treated as a distribution that is taxable as a dividend, the amount of the distribution would be measured by the amount of cash and the fair market value of the property received by the redeeming unitholder. In addition, although guidance is sparse, the IRS could take the position that unitholders who do not participate in any redemption treated as a dividend should be treated as receiving a constructive stock distribution taxable as a dividend in the amount of the increased percentage ownership in us as a result of the redemption, even though such unitholder did not actually receive cash or other property as a result of such redemption. The amount of any such constructive dividend would be added to the nonredeeming unitholder’s basis in his units. It also is possible that under certain technical rules relating to the deduction for dividends paid, the IRS could take the position that redemptions taxed as dividends impair our ability to satisfy our distribution requirements under the Code. To avoid certain issues related to our ability to comply with the REIT distribution requirements (see “— Qualification as a REIT — Annual Distribution Requirements”), we have implemented procedures designed to track our unitholders’ percentage interests in our common units and identify any such dividend equivalent redemptions, and we will decline to effect a redemption to the extent that we believe that it would constitute a dividend equivalent redemption. However, we cannot assure you that we will be successful in preventing all dividend equivalent redemptions.

Liquidating Distributions

Once we have adopted a plan of liquidation for U.S. federal income tax purposes, liquidating distributions received by a unitholder with respect to our common units will be treated first as a recovery of the unitholder’s basis in the units (computed separately for each block of units) and thereafter as gain from the disposition of our common units. In general, the U.S. federal income tax rules applicable to REITs require us to complete our liquidation within 24 months following our adoption of a plan of liquidation. Compliance with this 24 month requirement could require us to distribute unsold assets to a “liquidating trust.” Each unitholder would be treated as receiving a liquidating distribution equal to the value of the liquidating trust interests received by the unitholder. In the event a unitholder is treated as receiving a liquidating distribution consisting of liquidating trust interest, a unitholder may not be able to take advantage of the fair market value election available upon the disposition of an Opportunity Fund interest held for 10 years discussed above. The U.S. federal income tax treatment of ownership an interest in any such liquidating trust would differ materially from the U.S. federal income tax treatment of an investment in our units.

Medicare Tax on Unearned Income

Unitholders that are individuals, estates or trusts may be required to pay an additional 3.8% tax on, among other things, dividends on our common units (without regard to the 20% deduction allowed by the TCJA on ordinary REIT dividends) and capital gains from the sale or other disposition of stock. Unitholders should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of our common units.

Treatment of Tax Exempt U.S. Unitholders

U.S. tax exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from U.S. federal income taxation. However, they are subject to taxation on their UBTI. While many investments in real estate may generate UBTI, the IRS has ruled that regular distributions from a REIT to a tax exempt entity do not constitute UBTI. Based on that ruling, and provided that a tax exempt U.S. unitholder has not held our common units as “debt financed property” within the meaning of the Code (that is, where the acquisition or holding of the property is financed through a borrowing by the tax exempt unitholder), distributions from us and income from the sale of our common units generally should not give rise to UBTI to a tax exempt U.S. unitholder.

Tax exempt U.S. unitholders that are social clubs, voluntary employee benefit associations and supplemental unemployment benefit trusts plans exempt from U.S. federal income taxation under Sections 501(c)(7), (c)(9), and (c)(17) of the Code, respectively, are subject to different UBTI rules, which generally will require them to characterize distributions from us as UBTI.

A pension trust (1) that is described in Section 401(a) of the Code, (2) is tax exempt under Section 501(a) of the Code, and (3) that owns more than 10% of our units could be required to treat a percentage of the dividends from us as UBTI if we are a “pension-held REIT.” We will not be a pension-held REIT unless (1) either (A) one pension trust owns more than 25% of the value of our units, or (B) a group of pension trusts, each individually holding more than 10% of the value of our units, collectively owns more than 50% of such stock; and (2) we would not have satisfied the 5/50 Test but for a special rule that permits us to “look-through” such trusts to the ultimate beneficial owners of such trusts in applying the 5/50 Test.

In general, the U.S. federal income tax rules applicable to REITs will require us to complete our liquidation within 24 months following our adoption of a plan of liquidation. Compliance with this 24 month requirement could require us to distribute unsold assets to a liquidating trust. The U.S. federal income tax treatment of ownership an interest in any such liquidating trust would differ materially from the U.S. federal income tax treatment of an investment in our units, including the potential incurrence of income treated as UBTI.

Tax exempt U.S. unitholders are urged to consult their tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences of owning our common units.

Taxation of Non-U.S. Unitholders

General

In general, non-U.S. unitholders will not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of our common units. In cases where a non-U.S. unitholder’s investment in our common units is, or is treated as, effectively connected with the non-U.S. unitholder’s conduct of a U.S. trade or business, dividend income received in respect of our common units and gain from the sale of our common units generally will be “effectively connected income” (“ECI”) subject to U.S. federal income tax at graduated rates in the same manner as if the non-U.S. unitholder were a U.S. unitholder, and such dividend income may also be subject to the 30% branch profits tax (subject to possible reduction under a treaty) on the income after the application of the income tax in the case of a non-U.S. unitholder that is a corporation. However, to the extent that a non-U.S. unitholder incurs income treated as ECI and is subject to U.S. federal income tax in the same manner as if the non-U.S. unitholder were a U.S. unitholder, the non-U.S. unitholder may be able to take advantage of the same advantages relating to an investment in an Opportunity Fund described above in “Taxation of Taxable U.S. Unitholders—Opportunity Fund Treatment for U.S. Unitholders.” Additionally, non-U.S. unitholders that are nonresident alien individuals who are present in the U.S. for 183 days or more during the taxable year and have a “tax home” in the U.S. are subject to a 30% withholding tax on their capital gains. The remaining discussion below assumes the dividends and gain generated in respect of our common units is not effectively connected to a U.S. trade or business of the non-U.S. unitholder and that the non-U.S. unitholder is not present in the U.S. for more than 183 days during any taxable year.

FIRPTA

Under the Foreign Investment in Real Property Tax Act (“FIRPTA”), gains from U.S. real property interests (“USRPIs”) are generally treated as ECI subject to U.S. federal income tax at graduated rates in the same manner as if the non-U.S. unitholder were a U.S. unitholder (and potentially branch profits tax to non-U.S. corporations), and will generate return filing obligations in the United States for such non-U.S. unitholders. USRPIs for purposes of FIRPTA generally include interests in real property located in the United States and loans that provide the lender with a participation in the profits, gains, appreciation (or similar arrangements) of real property located in the United States. Loans secured by real property located in the United States that do not provide the lender with a participation in profits, gains, appreciation (or similar arrangements) of the real property are generally not treated as USRPIs.

In addition, stock of a domestic corporation (including a REIT such as us) will be a USRPI if at least 50% of its real property assets and assets used in a trade or business are USRPIs at any time during a prescribed testing period. We expect that our USRPIs will exceed 50% of our assets. Notwithstanding the foregoing rule, our common units

will not be a USRPI (i) if we are “domestically-controlled,” (ii) with respect to a selling non-U.S. unitholder if the units sold are of a class that is regularly traded on an established securities market and the selling non-U.S. unitholder owned, actually or constructively, 10% or less of our outstanding stock of that class at all times during a specified testing period (generally the lesser of the five year period ending on the date of disposition or the period of our existence), (iii) with respect to a selling non-U.S. unitholder that is a “qualified unitholder” (as described below) or (iv) with respect to a selling non-U.S. unitholder that is a “qualified foreign pension fund” (as described below).

A domestically controlled REIT is a REIT in which, at all times during a specified testing period (generally the lesser of the five year period ending on the date of disposition of the REIT’s common units or the period of the REIT’s existence), less than 50% in value of its outstanding common units is held directly or indirectly by non-U.S. persons. For these purposes, a person holding less than 5% of our common units for five years will be treated as a U.S. person unless we have actual knowledge that such person is not a U.S. person. We cannot assure you that we are currently treated as domestically-controlled.

Our units are not currently traded on an established securities market, and we have no current intent to list our units for trading. We also cannot assure you that we will be domestically-controlled at all times in the future. Thus, we cannot assure you that our units are not or will not become a USRPI in the future.

Ordinary Dividends

The portion of dividends received by non-U.S. unitholders payable out of our earnings and profits that are not attributable to gains from sales or exchanges of USRPIs will generally be subject to U.S. federal withholding tax at the rate of 30%, unless reduced or eliminated by an applicable income tax treaty. Under some treaties, however, lower rates generally applicable to dividends do not apply to dividends from REITs.

Non-Dividend Distributions

A non-U.S. unitholder should not incur tax on a distribution in excess of our current and accumulated earnings and profits if the excess portion of the distribution does not exceed the adjusted basis of its common units. Instead, the excess portion of the distribution will reduce the adjusted basis of its common units. A non-U.S. unitholder generally will not be subject to U.S. federal income tax on a distribution that exceeds both our current and accumulated earnings and profits and the adjusted basis of its stock unless our common units constitute a USRPI and no other exception applies to the selling non-U.S. unitholder. If our common units are a USRPI and no other exception applies to the selling non-U.S. unitholder, distributions in excess of both our earnings and the non-U.S. unitholder’s basis in our units will be treated as ECI subject to U.S. federal income tax. Regardless of whether the distribution exceeds basis, we will be required to withhold 15% of any distributions to non-U.S. unitholders in excess of our current year and accumulated earnings (i.e., including distributions that represent a return of the non-U.S. unitholder’s tax basis in our common units). The withheld amounts will be credited against any U.S. tax liability of the non-U.S. unitholder, and may be refundable to the extent such withheld amounts exceed the unitholder’s actual U.S. federal income tax liability. Even in the event our common units are not a USRPI, we may choose to withhold on the entire amount of any distribution at the same rate as we would withhold on a dividend because we may not be able to determine at the time we make a distribution whether or not the distribution will exceed our current and accumulated earnings and profits. However, a non-U.S. unitholder may obtain a refund of amounts that we withhold if we later determine that a distribution in fact exceeded our current and accumulated earnings and profits, to the extent such withheld amounts exceed the unitholder’s actual U.S. federal income tax liability.

Capital Gain Dividends and Distributions of FIRPTA Gains

Subject to the exceptions that may apply if our common units are regularly traded on an established securities market or if the selling non-U.S. unitholder is a “qualified unitholder” or a “qualified foreign pension fund,” each as described below, under a FIRPTA “look-through” rule, any of our distributions to non-U.S. unitholders of gain attributable to the sale of a USRPI will be treated as ECI and subject to the 21% FIRPTA withholding regardless of whether our common units constitute a USRPI. Amounts treated as ECI under the look-through rule may also be subject to the 30% branch profits tax (subject to possible reduction under a treaty), after the application of the income tax to such ECI, in the case of a non-U.S. unitholder that is a corporation. In addition, we will be required to withhold tax at the highest U.S. federal corporate income tax rate on the maximum amount that could have been

designated as capital gains dividends. Capital gain dividends received by a non-U.S. unitholder that are attributable to dispositions of our assets other than USRPIs are not subject to U.S. federal income tax. This FIRPTA look-through rule also applies to distributions in redemption of units and liquidating distributions, to the extent they represent distributions of gain attributable to the sale of a USRPI.

A distribution that would otherwise have been treated as gain from the sale of a USRPI under the FIRPTA look-through rule will not be treated as ECI, and instead will be treated as otherwise described herein without regard to the FIRPTA look-through rule, if (i) the distribution is received with respect to a class of stock that is regularly traded on an established securities market located in the United States, and (ii) the recipient non-U.S. unitholder does not own more than 10% of that class of stock at any time during the one-year period ending on the date on which the distribution is received. We currently are not publicly traded and such rules will not apply unless and until our common units become “regularly traded” on an established securities exchange in the future.

Dispositions of Our Common Units

A sale of our common units by a non-U.S. unitholder generally will not be subject to U.S. federal income tax unless our units are a USRPI. Subject to the exception that may apply if our common units were regularly traded on an established securities market (as described above), if our units are a USRPI, gain from the sale of our units would be ECI to the non-U.S. unitholder unless such non-U.S. unitholder were a qualified unitholder or a qualified foreign pension fund, each as described below. If our units are not a USRPI, gain from the sale of our units would not be subject to U.S. federal income tax.

To the extent our common units are held directly (or indirectly through one or more partnerships) by a “qualified unitholder,” our common units will not be treated as a USRPI. Further, to the extent such treatment applies, any distribution to such unitholder will not be treated as gain recognized from the sale or exchange of a USRPI. For these purposes, a qualified unitholder is generally a non-U.S. unitholder that (i)(A) is eligible for treaty benefits under an income tax treaty with the United States that includes an exchange of information program, and the principal class of interests of which is listed and regularly traded on one or more stock exchanges as defined by the treaty, or (B) is a foreign limited partnership organized in a jurisdiction with an exchange of information agreement with the United States and that has a class of regularly traded limited partnership units (having a value greater than 50% of the value of all partnership units) on the New York Stock Exchange or Nasdaq, (ii) is a “qualified collective investment vehicle” (within the meaning of Section 897(k)(3)(B) of the Code) and (iii) maintains records of persons holding 5% or more of the class of interests described in clauses (i)(A) or (i)(B) above. However, in the case of a qualified unitholder having one or more “applicable investors,” the exception described in the first sentence of this paragraph will not apply to the applicable percentage of the qualified unitholder’s common units (with “applicable percentage” generally meaning the percentage of the value of the interests in the qualified unitholder held by applicable investors after applying certain constructive ownership rules). The applicable percentage of the amount realized by a qualified unitholder on the disposition of our units or with respect to a distribution from us attributable to gain from the sale or exchange of a USRPI will be treated as amounts realized from the disposition of USRPI. Such treatment shall also apply to applicable investors in respect of distributions treated as a sale or exchange of our units with respect to a qualified unitholder. For these purposes, an “applicable investor” is a person (other than a qualified unitholder) who generally holds an interest in the qualified unitholder and holds more than 10% of our common units applying certain constructive ownership rules.

For FIRPTA purposes, a “qualified foreign pension fund” shall not be treated as a non-U.S. stockholder, and any entity all of the interests of which are held by a qualified foreign pension fund shall be treated as such a fund. A “qualified foreign pension fund” is an organization or arrangement (i) created or organized in a foreign country, (ii) established to provide retirement or pension benefits to current or former employees (including self-employed individuals) or their designees by either (A) a foreign country as a result of services rendered by such employees to their employers, or (B) one or more employers in consideration for services rendered by such employees to such employers, (iii) which does not have a single participant or beneficiary that has a right to more than 5% of its assets or income, (iv) which is subject to government regulation and with respect to which annual information about its beneficiaries is provided, or is otherwise available, to relevant local tax authorities and (v) with respect to which, under its local laws, (A) contributions that would otherwise be subject to tax are deductible or excluded from its gross income or taxed at a reduced rate, or (B) taxation of its investment income is deferred, or such income is excluded from its gross income or taxed at a reduced rate.

Redemptions and Liquidating Distributions

A redemption of units by a non-U.S. unitholder will be treated as a regular distribution or as a sale or exchange of the redeemed units under the same rules of Section 302 of the Code that apply to U.S. unitholders and which are discussed above under “Taxation of Taxable U.S. Unitholders—Redemptions of Common Units.” Subject to the FIRPTA look-through rule, (i) if our units are a USRPI, gain from a redemption treated as a sale or exchange of our units would be ECI to the non-U.S. unitholder unless such non-U.S. unitholder were a qualified unitholder or qualified foreign pension fund, as described above, and (ii) if our units are not a USRPI, gain from a redemption treated as a sale or exchange of our units would not be subject to U.S. federal income tax.

Once we have adopted (or are deemed to have adopted) a plan of liquidation for U.S. federal income tax purposes, liquidating distributions received by a non-U.S. unitholder with respect to our common units will be treated first as a recovery of the unitholder’s basis in the units (computed separately for each block of units) and thereafter as gain from the disposition of our common units. Subject to the FIRPTA look-through rule, (i) if our units are a USRPI, gain from a liquidating distribution with respect to our units would be ECI to the non-U.S. unitholder unless such non-U.S. unitholder were a qualified unitholder or qualified foreign pension fund, as described above, and (ii) if our units are not a USRPI, gain from a liquidating distribution with respect to our units would not be subject to U.S. federal income tax. In general, the U.S. federal income tax rules applicable to REITs will require us to complete our liquidation within 24 months following our adoption of a plan of liquidation. Compliance with this 24 month requirement could require us to distribute unsold assets to a “liquidating trust.” The U.S. federal income tax treatment of ownership of an interest in any such liquidating trust would differ materially from the U.S. federal income tax treatment of an investment in our units, including the potential incurrence of income treated as ECI and the likely requirement to file U.S. federal income tax returns.

The IRS takes the view that under the FIRPTA look-through rule, but subject to the exceptions described above that may apply to a holder of no more than 10% of our common units if our common units are regularly traded on an established securities market, to a qualified unitholder or to a qualified foreign pension fund, distributions in redemption of our common units and liquidating distributions to non-U.S. unitholders will be treated as ECI and subject to withholding at the highest U.S. federal corporate income tax rate, and also potentially subject to branch profits tax in the case of corporate non-U.S. unitholders, to the extent that the distributions are attributable to gain from the sale of a USRPI, regardless of whether our units are a USRPI and regardless of whether the distribution is otherwise treated as a sale or exchange.

Backup Withholding and Information Reporting

We will report to our U.S. unitholders and the IRS the amount of dividends paid during each calendar year and the amount of any tax withheld. Under the backup withholding rules, a U.S. unitholder may be subject to backup withholding with respect to dividends paid unless the holder is a corporation or comes within other exempt categories and, when required, demonstrates this fact or provides a taxpayer identification number or social security number, certifies as to no loss of exemption from backup withholding and otherwise complies with applicable requirements of the backup withholding rules. A U.S. unitholder that does not provide his or her correct taxpayer identification number or social security number may also be subject to penalties imposed by the IRS. Backup withholding is not an additional tax, and any amounts collected as backup withholding may be refunded to the U.S. unitholder when the U.S. unitholder files their U.S. federal income tax return. In addition, we may be required to withhold a portion of dividends or capital gain distribution to any U.S. unitholder who fails to certify their non-foreign status.

We must report annually to the IRS and to each non-U.S. unitholder the amount of dividends paid to such holder and the tax withheld with respect to such dividends, regardless of whether withholding was required. Copies of the information returns reporting such dividends and withholding may also be made available to the tax authorities in the country in which the non-U.S. unitholder resides under the provisions of an applicable income tax treaty or intergovernmental agreement. A non-U.S. unitholder may be subject to backup withholding unless applicable certification requirements are met.

Payment of the proceeds of a sale of our common units within the United States is subject to both backup withholding and information reporting unless the beneficial owner certifies under penalties of perjury that it is a non-U.S. unitholder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a

U.S. person) or the holder otherwise establishes an exemption. Payment of the proceeds of a sale of our common units conducted through certain U.S. related financial intermediaries is subject to information reporting (but not backup withholding) unless the financial intermediary has documentary evidence in its records that the beneficial owner is a non-U.S. unitholder and specified conditions are met or an exemption is otherwise established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against such holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Foreign Accounts and FATCA

Federal legislation commonly referred to as "FATCA" currently imposes withholding taxes on certain U.S. source passive payments to "foreign financial institutions" and certain other non-U.S. entities and will impose withholding taxes with respect to payments of disposition proceeds of U.S. securities realized after December 31, 2018. Under this legislation, the failure to comply with additional certification, information reporting and other specified requirements could result in withholding tax being imposed on payments of dividends and sales proceeds to U.S. unitholders who own units of our common units through foreign accounts or foreign intermediaries and certain non-U.S. unitholders. The legislation imposes a 30% withholding tax on dividends currently on, and will impose a 30% withholding tax on gross proceeds from the sale or other disposition of, our common units paid to a foreign financial institution or to a foreign entity other than a financial institution, unless (i) the foreign financial institution undertakes certain diligence and reporting obligations or (ii) the foreign entity is not a financial institution and either certifies it does not have any substantial U.S. owners or furnishes identifying information regarding each substantial U.S. owner. If the payee is a foreign financial institution (that is not otherwise exempt), it must either (1) enter into an agreement with the U.S. Treasury requiring, among other things, that it undertake to identify accounts held by certain U.S. persons or U.S.-owned foreign entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these reporting and other requirements or (2) in the case of a foreign financial institution that is resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA, comply with the revised diligence and reporting obligations of such intergovernmental agreement. Prospective investors should consult their tax advisors regarding this legislation.

State, Local and Non-U.S. Taxes

We and our unitholders may be subject to state, local or non-U.S. taxation in various jurisdictions, including those in which it or they transact business, own property or reside. The state, local or non-U.S. tax treatment of us and our unitholders may not conform to the U.S. federal income tax treatment discussed above. Any non-U.S. taxes incurred by us would not pass through to unitholders as a credit against their U.S. federal income tax liability. The TCJA also disallows itemized deductions for individuals for state and local income, property and sales taxes in excess of a combined limit of \$10,000 per year. Prospective unitholders should consult their tax advisors regarding the application and effect of state, local and non-U.S. income and other tax laws on an investment in our common units.

Legislative or Other Actions Affecting REITs

The rules dealing with U.S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Department of the Treasury. No assurance can be given as to whether, when, or in what form, U.S. federal income tax laws applicable to us and our unitholders may be enacted. Changes to the U.S. federal income tax laws and interpretations of U.S. federal income tax laws could adversely affect an investment in our common units.

The recently enacted TCJA, generally applicable for tax years beginning after December 31, 2017, made significant changes to the Code, including a number of provisions of the Code that affect the taxation of businesses and their owners, including REITs and their stockholders.

Among other changes, the TCJA made the following changes:

- For tax years beginning after December 31, 2017 and before January 1, 2026, (i) the U.S. federal income tax rates on ordinary income of individuals, trusts and estates have been generally reduced and (ii) non-corporate taxpayers are permitted to take a deduction for certain pass-through business income, including, as discussed above, dividends received from REITs that are not designated as capital gain dividends or qualified dividend income, subject to certain limitations.
- The maximum U.S. federal income tax rate for corporations has been reduced, and corporate alternative minimum tax has been eliminated for corporations, which would generally reduce the amount of U.S. federal income tax payable by our TRSs and by us to the extent we were subject corporate U.S. federal income tax. In addition, the maximum withholding rate on distributions by us to non-U.S. stockholders that are treated as attributable to gain from the sale or exchange of a U.S. real property interest has been reduced.
- Certain new limitations on the deductibility of interest expense now apply, which limitations may affect the deductibility of interest paid or accrued by us or our TRSs.
- Certain new limitations on net operating losses now apply, which limitations may affect net operating losses generated by us or our TRSs.
- A U.S. tax exempt stockholder that is subject to tax on its UBTI will be required to separately compute its taxable income and loss for each unrelated trade or business activity for purposes of determining its UBTI.
- Accounting rules generally require us to recognize income items for federal income tax purposes no later than when we take the item into account for financial statement purposes, which may accelerate our recognition of certain income items.

The effect of the TCJA on us and our unitholders is uncertain, and administrative guidance will be required in order to fully evaluate the effect of many provisions. Any technical corrections with respect to the TCJA could have an adverse effect on us or our unitholders.

PLAN OF DISTRIBUTION

We are currently offering up to \$500,000,000 in our common units pursuant to this PPM. We may increase the offering size at any time if we so elect. Our common units being offered hereby will be primarily offered by associated persons of ours through the Fundrise Platform at www.fundrise.com. In conducting this offering, such persons of Fundrise Opportunity Fund, LP intend to rely on the exemption from registration contained in Exchange Act Rule 3a4-1. For additional information about the Fundrise Platform, please see “Offering Summary—About the Fundrise Platform.”

Concurrently with our offering, the Fund and the Manager will make initial investments of \$1,000 and \$5,000 in units of membership interests of our Operating Partnership (“OP Units”), respectively, at \$10.00 per OP Unit.

In addition, each of our Manager and our General Partner will acquire 400 of our common units, and 100 of our common units, respectively, at \$10.00 per common unit, for net proceeds to us of \$5,000.

The Fundrise Platform is not subject to the registration requirements of Section 304 of the JOBS Act because it does not offer and sell securities pursuant to Section 4(a)(6) of the Securities Act, and, therefore, does not meet the definition of a “funding portal.”

This PPM and supplements hereto will be furnished to prospective investors upon their request via electronic PDF format and will be available for viewing and download 24 hours per day, 7 days per week on the Fundrise Platform website.

In order to subscribe to purchase our common units, a prospective investor must electronically complete, sign and deliver to us an executed subscription agreement like the one attached to this PPM as Appendix B, and wire funds for its subscription amount in accordance with the instructions provided therein.

An investor will become a member of the Fund, including for tax purposes, and the units will be issued, as of the date of settlement. Settlement will not occur until an investor’s funds have cleared and the General Partner accepts the investor as a member. The number of units issued to an investor will be calculated based on the price per unit in effect on the date we receive the subscription.

We reserve the right to reject any investor’s subscription in whole or in part for any reason, including if we determine in our sole and absolute discretion that such investor is not an “accredited investor” under Rule 501(a) of Regulation D. If the offering terminates or if any prospective investor’s subscription is rejected, all funds received from such investors will be returned without interest or deduction.

To the extent that the funds are not ultimately received by us or are subsequently withdrawn by the subscriber, whether due to an ACH chargeback or otherwise, the subscription agreement will be considered terminated, and the subscriber shall not be entitled to any units subscribed for or dividends that may have accrued.

State Law Exemption and Offerings to “Accredited Investors”; Additional Information for Verification Purposes

Our common units are being offered and sold only to “accredited investors” under Rule 501(a) of Regulation D. This offering will be exempt from state “Blue Sky” law review, subject to certain state filing requirements and anti-fraud provisions, to the extent that our common units offered hereby are offered and sold only to “accredited investors” or at a time when our common units are listed on a national securities exchange.

Because Rule 506(c) of Regulation D requires verification of an investor’s status as an “accredited investor,” we will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification ourselves. We or such independent third-party verification provider may contact you directly, and you must promptly work with the verification provider to complete the verification process. If we use third-party verification, the cost of such verification will be paid by each investor.

Certificates Will Not be Issued

We will not issue certificates. Instead, our common units will be recorded and maintained on the Fund's membership register.

Transferability of our Common Units

Our common units are generally freely transferable by our unitholders subject to any restrictions imposed by applicable securities laws or regulations, compliance with the transfer provisions of our limited partnership agreement related to REIT compliance ownership limits and analogous regulatory compliance and receipt of appropriate documentation. However, all of our common units will be "restricted securities" within the meaning of Rule 144 under the Securities Act and therefore may not be transferred by a holder thereof within the United States or to a "U.S. person" unless such transfer is made pursuant to registration under the Securities Act, pursuant to an exemption therefrom, or in a transaction outside the United States pursuant to the resale provisions of Regulation S. The transfer of any of our common units in violation of the limited partnership agreement will be deemed invalid, null and void, and of no force or effect. Any person to whom our common units are attempted to be transferred in violation of the limited partnership agreement will not be entitled to vote on matters coming before the unitholders, receive distributions from the Fund or have any other rights in or with respect to our common units. We will not have the ability to reject a transfer of our common units where all applicable transfer requirements, including those imposed under the transfer provisions of our limited partnership agreement, are satisfied.

No Escrow

The proceeds of this offering will not be placed into an escrow account and there is no minimum amount of our common units we need to sell.

Advertising, Sales and other Promotional Materials

In addition to this PPM, subject to limitations imposed by applicable securities laws, we expect to use additional advertising, sales and other promotional materials in connection with this offering. These materials may include information relating to this offering, the past performance of our sponsor and its affiliates, property brochures, articles and publications concerning real estate, or public advertisements and audio-visual materials, in each case only as authorized by us. In addition, the sales material may contain certain quotes from various publications without obtaining the consent of the author or the publication for use of the quoted material in the sales material. Although these materials will not contain information in conflict with the information provided by this PPM and will be prepared with a view to presenting a balanced discussion of risk and reward with respect to our common units, these materials will not give a complete understanding of this offering, us or our common units and are not to be considered part of this PPM. This offering is made only by means of this PPM and prospective investors must read and rely on the information provided in this PPM in connection with their decision to invest in our common units.

HOW TO SUBSCRIBE

Subscription Procedures

Investors seeking to purchase our common units who satisfy the “accredited investor” standards should proceed as follows:

- Read this entire PPM and any supplements accompanying this PPM.
- Electronically complete and execute a copy of the subscription agreement. A specimen copy of the subscription agreement, including instructions for completing it, is included in this PPM as Appendix B.
- Electronically provide ACH instructions to us for the full purchase price of our common units being subscribed for; note, however, for subscriptions in excess of \$100,000, we will require that the purchase price of our common units be provided via bank wire.

By executing the subscription agreement and paying the total purchase price for our common units subscribed for, each investor agrees to accept the terms of the subscription agreement and attests that the investor meets the minimum standards of an “accredited investor.” Subscriptions will be binding upon investors but will be effective only upon our acceptance and we reserve the right to reject any subscription in whole or in part.

Because Rule 506(c) of Regulation D requires verification of an investor’s status as an “accredited investor,” we will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification ourselves. We or such independent third-party verification provider may contact you directly, and you must promptly work with the verification provider to complete the verification process. If we use third-party verification, the cost of such verification will be paid by each investor.

Subscriptions will be binding upon investors and will be accepted or rejected within 45 days of receipt by us. We will not draw funds from any subscriber until the date your subscription is accepted. If we accept your subscription, we will email you a confirmation.

To the extent that the funds are not ultimately received by us or are subsequently withdrawn by the subscriber, whether due to an ACH chargeback or otherwise, the subscription agreement will be considered terminated, and the subscriber shall not be entitled to any units subscribed for or dividends that may have accrued.

Minimum Purchase Requirements

You must initially purchase at least 2,500 common units in this offering, or \$25,000 based on the per unit price. If you have satisfied the applicable minimum purchase requirement, any additional purchase must be in amounts of at least \$10 (or the then per unit purchase price of our common units). However, the General Partner may revise the minimum purchase requirements in the future or elect to waive the minimum purchase requirement. In addition, in order to help protect us from the risk of chargebacks, we intend to require that any subscription in excess of \$100,000 of our units be funded through a bank wire transfer and not an ACH electronic fund transfer.

Arbitration Provision

By purchasing common units in this offering, investors agree to be bound by the arbitration provision contained in our limited partnership agreement and our subscription agreement. Such arbitration provisions apply to all claims under the U.S. federal securities laws and to all claims that may be made regarding this offering, our ongoing operations and the management of our investments, among other things, and limits the ability of investors to bring class action lawsuits or similarly seek remedy on a class basis.

By agreeing to be subject to the arbitration provisions contained in our limited partnership agreement and our subscription agreement, you are severely limiting your rights to seek redress against us in court. For example, you may not be able to pursue litigation for any claim in state or federal courts against us, our manager, our sponsor, or their respective directors or officers, including with respect to securities law claims, and any awards or remedies determined by the arbitrators may not be appealed. In addition, arbitration rules generally limit discovery, which

could impede your ability to bring or sustain claims, and the ability to collect attorneys' fees or other damages may be limited in the arbitration, which may discourage attorneys from agreeing to represent parties wishing to commence such a proceeding.

Specifically, under Section 12.13 of our limited partnership agreement and Section 13 of our subscription agreement (the "Arbitration Provision"), either party may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a claim be final and binding arbitration. We have not determined whether we will exercise our right to demand arbitration but reserve the right to make that determination on a case by case basis as claims arise. In this regard, the Arbitration Provision is similar to a binding arbitration provision as we are likely to invoke the Arbitration Provision to the fullest extent permissible. The Arbitration Provisions apply to claims under the U.S. federal securities laws and to all claims that may be made regarding the offering, our ongoing operations and the management of our investments, among other matters.

Any arbitration brought pursuant to the Arbitration Provision must be conducted in Washington, D.C. The term "Claim" as used in the Arbitration Provision is very broad and includes any past, present, or future claim, dispute, or controversy involving you (or persons claiming through or connected with you), on the one hand, and us (or persons claiming through or connected with us), on the other hand, relating to or arising out of your subscription agreement, the Fundrise Platform, and/or the activities or relationships that involve, lead to, or result from any of the foregoing, including (except an individual Claim that you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court) the validity or enforceability of the Arbitration Provision, any part thereof, or the entire limited partnership agreement and subscription agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law, or principles of equity; or otherwise. Claims include (without limitation) matters arising as initial claims, counter-claims, cross-claims, third-party claims, or otherwise. The scope of the Arbitration Provision is to be given the broadest possible interpretation that will permit it to be enforceable. We have no reason to believe that the Arbitration Provision is not enforceable under federal law, the laws of the District of Columbia or under any other applicable laws or regulations. However, to the extent that one or more of the provisions in our limited partnership agreement and our subscription agreement with respect to the Arbitration Provisions or otherwise requiring you to waive certain rights were to be found by a court to be unenforceable, we would abide by such decision.

Before purchasing common units, a potential investor must acknowledge, understand, and agree that: (a) arbitration is final and binding on the parties; (b) the parties are waiving their right to seek remedies in court, including the right to jury trial; (c) pre-arbitration discovery is generally more limited than and potentially different in form and scope from court proceedings; (d) the final award by the arbitrator is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of a ruling by the arbitrators is strictly limited; and (e) the panel of arbitrators may include a minority of persons engaged in the securities industry. Such arbitration provision limits the rights of an investor to some legal remedies and rights otherwise available.

LEGAL MATTERS

Certain legal matters, including the validity of common units offered hereby, have been passed upon for us by Goodwin Procter LLP.

APPENDIX A:

PRIOR PERFORMANCE TABLES

The following prior performance tables provide information relating to the real estate investment programs sponsored by Rise Companies Corp., our sponsor, and its affiliates. These consist of five (5) eREITs that had begun raising and deploying capital either during the year ended December 31, 2016 or 2015 (collectively, the “eREIT™ Programs”): (i) Fundrise Real Estate Investment Trust, LLC (the “Income eREIT™”); (ii) Fundrise Equity REIT, LLC (the “Growth eREIT™”); (iii) Fundrise West Coast Opportunistic REIT, LLC (the “West Coast eREIT™”); (iv) Fundrise East Coast Opportunistic REIT, LLC (the “East Coast eREIT™”); and (v) Fundrise Midland Opportunistic REIT, LLC (the “Heartland eREIT™”). With respect to its eREIT™ Programs, our sponsor seeks to produce attractive risk-adjusted returns by targeting debt and equity investments with significant potential value creation but below the radar of institutional-sized investors.

The eREIT™ Programs were launched in December 2015 with the qualification of the Regulation A offering of the Income eREIT™. Our sponsor and its affiliates are responsible for origination, due diligence, structuring, closing, acquiring, and asset management of all investments and loans made under the eDirect™ Programs. As of December 31, 2017, our sponsor had facilitated or originated approximately 70 real estate assets in its eREIT™ Programs with aggregate asset values of approximately \$1.4 billion, consisting of approximately \$114 million of commercial real estate loan assets, \$1.3 billion of investments in commercial real estate assets (primarily through common equity investments and majority-owned subsidiaries with rights to receive preferred economic returns or joint ventures). The portfolios included in the eREIT™ Programs are diversified by investment size, security type, property type and geographic region.

As of December 31, 2017, the eREIT™ Programs consisted of five eREITs™, which had collectively raised approximately \$225 million.

This information should be read together with the summary information included in the “Prior Performance Summary” section of the PPM.

Investors should not construe inclusion of the following tables as implying, in any manner, that we will have results comparable to those reflected in such tables. Distributable cash flow, federal income tax deductions or other factors could be substantially different. Investors should note that by acquiring our units, they will not be acquiring any interest in any prior program.

Description of the Tables

All information contained in the Tables in this Appendix A is as of December 31, 2017. The following tables are included herein:

Table I — Experience in Raising and Investing Funds

Table II — Compensation to Sponsor

Table III — Operating Results of Prior Programs

Table VI — Acquisition of Assets

**TABLE I
EXPERIENCE IN RAISING AND INVESTING FUNDS
(UNAUDITED)**

Table I presents information showing the experience of the Sponsor in raising and investing funds for the prior eDirect™ Programs as of December 31, 2017. Amounts are rounded to nearest thousands.

(Dollar amounts in thousands)

	Fundrise Real Estate Investment Trust, LLC	Fundrise Equity REIT, LLC	Fundrise West Coast Opportunisti c REIT, LLC	Fundrise East Coast Opportunisti c REIT, LLC	Fundrise Midland Opportunist ic REIT, LLC
Dollar Amount Offered [a]	\$ 91,189	\$ 95,730	\$ 50,000	\$ 50,000	\$ 50,000
Amount Raised as of 12/31/17 [b].	\$ 74,147	\$ 65,531	\$ 29,338	\$ 28,111	\$ 28,138
Date Original Offering Began	11/24/2015	1/5/2016	9/30/2016	9/30/2016	9/30/2016
Length of Offering (In Months) [c]	7[d]	7[d]	15	15	15
Months to Invest 90 Percent of Amount Available for Investment (Measured from the Beginning of Offering) [e]	N/A	N/A	N/A	N/A	N/A

[a] The amount represents the maximum amount offered to the public.

[b] Represents the dollar amount raised in public offerings. Excludes private placements.

[c] Represents the shorter of (i) number of months the offering had been available as of 12/31/17 or (ii) number of months that the offering was available before concluding upon completion.

[d] The offering was halted once reaching the \$50 million maximum offering amount, and the figure presented represents the length of the offering since recommencing.

[e] As of December 31, 2017 these offerings were still in the investment period and had not invested 90% of the amount offered. Assets are acquired as equity becomes available.

**TABLE II
COMPENSATION TO SPONSOR
(UNAUDITED)**

Table II presents information showing the compensation paid to the Sponsor by the prior eDirect™ Programs as of December 31, 2017. Amounts are rounded to nearest thousands.

(Dollar amounts in thousands)

	Fundrise Real Estate Investment Trust, LLC	Fundrise Equity REIT, LLC	Fundrise West Coast Opportunistic REIT, LLC	Fundrise East Coast Opportunistic REIT, LLC	Fundrise Midland Opportunistic REIT, LLC
Date original offering commenced.....	11/24/2015	1/5/2016	9/30/2016	9/30/2016	9/30/2016
Dollar amount raised.....	74,147	65,531	29,338	28,111	28,138
Amount paid to sponsor from proceeds of offering:					
Underwriting fees	0	0	0	0	0
Acquisition fees.....	0	0	0	0	0
Real estate commissions	0	0	0	0	0
Advisory fees	0	0	0	0	0
Other.....	0	0	0	0	0
Other.....	0	0	0	0	0
Dollar amount of cash generated from operations before deducting payments to sponsor.....	74,147	65,531	29,338	28,111	28,138
Amounts paid to sponsor from operations:					
Property management fees	0	0	0	0	0
Partnership management fees [1] ...	0	617	124	115	111
Reimbursements [2].....	1,006	999	0	0	0
Leasing commissions.....	0	0	0	0	0
Other.....	0	0	0	0	0
Dollar amount of property sales and refinancing before deducting payments to sponsor.....					
Cash.....	0	0	0	0	0
Notes.....	0	0	0	0	0
Amount paid to sponsor from property sales and refinancing:					
Real estate commissions	0	0	0	0	0
Incentive fees	0	0	0	0	0
Other.....	0	0	0	0	0

[1] This number is comprised of cumulative investment management fees that have been paid to the Manager, Fundrise Advisors, a wholly owned subsidiary of the sponsor as of December 31, 2017.

[2] Amount represents cumulative reimbursements paid to the Manager as of 12/31/17, and not reimbursements payable.

TABLE III
OPERATING RESULTS OF PRIOR PROGRAMS
(UNAUDITED)

Table III sets forth the operating results of the prior eREITs™ Programs for the years ended December 31, 2017, 2016, and 2015. Amounts are rounded to nearest thousands.

(Dollar amounts in thousands)

	Fundrise Real Estate Investment Trust, LLC		
	(Unaudited)		
	2017	2016	2015
SUMMARY BALANCE SHEET			
Total assets	\$ 73,734	\$ 50,400	\$ 13,399
Total liabilities	2,888	3,060	3,354
Total members' equity	70,846	47,340	10,045
SUMMARY OPERATING RESULTS			
Gross revenues.....	5,408	3,984	30
Operating expense.....	(180)	(195)	91
Operating income (loss)	5,228	3,789	(61)
Interest/ tax expense.....	(16)	-	-
Net income (loss) (GAAP Basis).....	5,212	3,789	(61)
SUMMARY STATEMENTS OF CASH FLOWS			
Net cash provided by (used in) operating activities	5,123	2,002	(6)
Net cash provided by (used in) investing activities.....	(19,074)	(35,640)	(5,887)
Net cash provided by (used in) financing activities	18,033	33,501	13,117
AMOUNT AND SOURCE OF DISTRIBUTIONS			
Total cash distributions paid and distributions reinvested	5,393[a]	2,382[b]	-
<i>Distribution Data Per \$1,000 Invested [c]</i>			
Total Distributions paid to investors.....	\$ 106.89[a]	\$ 63.76[b]	\$ -
From operations [d].....	\$ 101.54	\$ 53.59	\$ -
From all other sources (financing or offering proceeds) [d]	\$ 5.35	\$ 10.17	\$ -
Estimated value per share [e].....	\$ 9.81	\$ 9.88	N/A

[a] Although distributions were declared in Q4 2017, they were paid out in Q1 2018 and therefore are not reflected in the distribution amounts.

[b] Although distributions were declared in Q4 2016, they were paid out in Q1 2017 and therefore are not reflected in the distribution amounts.

[c] Assumes investment was settled by January 1 of the stated year.

[d] This calculation is on a GAAP basis. When calculated on a tax basis, all distributions were made 100% from taxable income and there was no return of capital for the year ended December 31, 2017 and 2016.

[e] N/A indicates there is no public trading market for the units during the period indicated or estimated net asset value per share as determined by the Fund's manager as of December 31.

(Dollar amounts in thousands)

	Fundrise Equity REIT, LLC		
	(Unaudited)		
	2017	2016	2015
SUMMARY BALANCE SHEET			
Total assets	\$ 56,490	\$ 45,620	\$ 199
Total liabilities	2,498	1,784	-
Total members' equity	53,992	43,836	199
SUMMARY OPERATING RESULTS			
Gross revenues (losses)	552	(2,391) [a]	-
Operating expense.....	(616)	(511)	1
Operating income (loss)	(64)	(2,902)	(1)
Interest expense	(47)	(1)	-
Net income (loss) (GAAP Basis)	(111)	(2,903)	(1)
SUMMARY STATEMENTS OF CASH FLOWS			
Net cash provided by (used in) operating activities	(678)	(131)	(1)
Net cash provided by (used in) investing activities.....	(4,056)	(43,992)	-
Net cash provided by (used in) financing activities	10,921	48,275	1
AMOUNT AND SOURCE OF DISTRIBUTIONS			
Total cash distributions paid and distributions reinvested..	3,353 [b]	971 [c]	-
<i>Distribution Data Per \$1,000 Invested [d]</i>			
Total Distributions paid to investors.....	\$ 66.14 [b]	\$ 40.11 [c]	\$ -
From operations	\$ - [e]	\$ - [f]	\$ -
From all other sources (financing or offering proceeds)	\$ 66.14 [e]	\$ 40.11 [f]	\$ -
Estimated value per share [g]	\$ 10.46	\$ 9.60	N/A

[a] Under GAAP, distributions from equity-method investees are treated as a reduction of an investment's basis rather than investment income, so as a result of depreciation, closing costs, and non-cash losses at the property level, net income is reflected as negative.

[b] Although distributions were declared in Q4 2017, they were paid out in Q1 2018 and therefore are not reflected in the distribution amounts.

[c] Although distributions were declared in Q4 2016, they were paid out in Q1 2017 and therefore are not reflected in the distribution amounts.

[d] Assumes investment was settled by January 1 of the stated year.

[e] This calculation is on a GAAP basis and does not account for distributions received from equity method investees. When distributions received from equity method investees are added to the cash flow from operations figure, then cash flow is sufficient to cover 100% of distributions in 2017. When calculated on a tax basis, an estimated 9% of distributions were made from taxable income for the year ended December 31, 2017.

[f] This calculation is on a GAAP basis and does not account for distributions received from equity method investees. When distributions received from equity method investees are added to the cash flow from operations figure, then cash flow is sufficient to cover 44% of distributions in 2016. When calculated on a tax basis, an estimated 48% of distributions were made from taxable income for the year ended December 31, 2016.

[g] N/A indicates there is no public trading market for the units during the period indicated or estimated net asset value per share as determined by the Fund's manager as of December 31.

(Dollar amounts in thousands)

	Fundrise West Coast Opportunistic REIT, LLC		
	(Unaudited)		
	2017	2016	2015
SUMMARY BALANCE SHEET			
Total assets	\$ 29,455	\$ 9,334	\$ 5
Total liabilities	1,359	2,758	-
Total members' equity	28,096	6,576	5
SUMMARY OPERATING RESULTS			
Gross revenues	1,342	100	-
Operating expense	(402)	(90)	-
Operating income (loss)	940	10	-
Interest expense	(1)	(6)	-
Net income (loss) (GAAP Basis)	939	4	-
SUMMARY STATEMENTS OF CASH FLOWS			
Net cash provided by (used in) operating activities	212	(12)	-
Net cash provided by (used in) investing activities	(12,205)	(5,889)	-
Net cash provided by (used in) financing activities	19,480	8,851	5
AMOUNT AND SOURCE OF DISTRIBUTIONS			
Total cash distributions paid and distributions reinvested	980	[a]	-[b]
<i>Distribution Data Per \$1,000 Invested [c]</i>			
Total Distributions paid to investors	\$ 65.29	[a]	\$ -[b]
From operations	\$ 14.12	[d]	\$ -
From all other sources (financing or offering proceeds)	\$ 51.16	[d]	\$ -
Estimated value per share [e]	\$ 9.81	N/A	N/A

[a] Although distributions were declared in Q4 2017, they were paid out in Q1 2018 and therefore are not reflected in the distribution amounts.

[b] Although distributions were declared in Q4 2016, they were paid out in Q1 2017 and therefore are not reflected in the distribution amounts.

[c] Assumes investment was settled by January 1 of the stated year.

[d] This calculation is on a GAAP basis. When calculated on a tax basis, all distributions were made 100% from taxable income and there was no return of capital for the year ended December 31, 2017.

[e] N/A indicates there is no public trading market for the units during the period indicated or estimated net asset value per share as determined by the Fund's manager as of December 31.

(Dollar amounts in thousands)

	Fundrise East Coast Opportunistic REIT, LLC			
	(Unaudited)			
	2017	2016	2015	
SUMMARY BALANCE SHEET				
Total assets	\$ 26,727	\$ 14,930	\$	5
Total liabilities	2,174	8,934		-
Total members' equity	24,553	5,996		5
SUMMARY OPERATING RESULTS				
Gross revenues [a]	(91)	109		-
Operating expense.....	(367)	(83)		-
Operating income (loss)	(458)	26		-
Interest expense	(103)	(17)		-
Net income (loss) (GAAP Basis)	(561)	9		-
SUMMARY STATEMENTS OF CASH FLOWS				
Net cash provided by (used in) operating activities	158	58		-
Net cash provided by (used in) investing activities.....	(4,800)	(13,150)		-
Net cash provided by (used in) financing activities	12,662	14,438		5
AMOUNT AND SOURCE OF DISTRIBUTIONS				
Total cash distributions paid and distributions reinvested	984	[b]	-[c]	-
Distribution Data Per \$1,000 Invested [d]				
Total Distributions paid to investors.....	\$ 70.92	[b]	\$ -[c]	\$ -
From operations	\$ 11.39	[e]	\$ -	\$ -
From all other sources (financing or offering proceeds).....	\$ 59.54	[e]	\$ -	\$ -
Estimated value per share [f]	\$ 10.18		N/A	N/A

[a] Under GAAP, distributions from equity-method investees are treated as a reduction of an investment's basis rather than investment income, so as a result distributions from equity method investments will not show up in gross revenues. As a result of depreciation, closing costs, and non-cash losses at the property level, net income may be reflected as negative.

[b] Although distributions were declared in Q4 2017, they were paid out in Q1 2018 and therefore are not reflected in the distribution amounts.

[c] Although distributions were declared in Q4 2016, they were paid out in Q1 2017 and therefore are not reflected in the distribution amounts.

[d] Assumes investment was settled by January 1 of the stated year.

[e] This calculation is on a GAAP basis and does not account for distributions received from equity method investees. When distributions received from equity method investees are added to the cash flow from operations figure, then cash flow is sufficient to cover 100% of distributions in 2017. When calculated on a tax basis, an estimated 57% of distributions were made from taxable income for the year ended December 31, 2017.

[f] N/A indicates there is no public trading market for the units during the period indicated or estimated net asset value per share as determined by the Fund's manager as of December 31.

(Dollar amounts in thousands)

	Fundrise Midland Opportunistic REIT, LLC (Unaudited)		
	2017	2016	2015
SUMMARY BALANCE SHEET			
Total assets	\$ 32,160	\$ 6,133	\$ 5
Total liabilities	7,294	1,023	-
Total members' equity	24,866	5,110	5
SUMMARY OPERATING RESULTS			
Gross revenues [a]	(631)	8	-
Operating expense.....	(385)	(85)	-
Operating income (loss)	(1,016)	(77)	-
Interest expense	(14)	-	-
Net income (loss) (GAAP Basis)	(1,030)	(77)	-
SUMMARY STATEMENTS OF CASH FLOWS			
Net cash provided by (used in) operating activities	146	(12)	-
Net cash provided by (used in) investing activities.....	(29,628)	(1,000)	-
Net cash provided by (used in) financing activities	26,334	5,734	5
AMOUNT AND SOURCE OF DISTRIBUTIONS			
Total cash distributions paid and distributions reinvested	844	[b]	-[c]
<i>Distribution Data Per \$1,000 Invested</i> [d]			
Total Distributions paid to investors.....	\$ 60.45	[b]	\$ - [c]
From operations	\$ 10.46	[d]	\$ -
From all other sources (financing or offering proceeds).....	49.99	[d]	-
Estimated value per share [e].....	\$ 10.00	N/A	N/A

[a] Under GAAP, distributions from equity-method investees are treated as a reduction of an investment's basis rather than investment income, so as a result distributions from equity method investments will not show up in gross revenues. As a result of depreciation, closing costs, and non-cash losses at the property level, net income is negative.

[b] Although distributions were declared in Q4 2017, they were paid out in Q1 2018 and therefore are not reflected in the distribution amounts.

[c] Although distributions were declared in Q4 2016, they were paid out in Q1 2017 and therefore are not reflected in the distribution amounts.

[d] This calculation is on a GAAP basis and does not account for distributions received from equity method investees. When distributions received from equity method investees are added to the cash flow from operations figure, then cash flow is sufficient to cover approximately 36% of distributions in 2017. When calculated on a tax basis, an estimated 62% of distributions were made from taxable income for the year ended December 31, 2017.

[e] N/A indicates there is no public trading market for the units during the period indicated or estimated net asset value per share as determined by the Fund's manager as of December 31.

TABLE VI
ACQUISITION OF ASSETS
(UNAUDITED)

Table VI sets forth summary information on the properties held by the prior eREIT™ Programs as of December 31, 2017.

Property	Location	Name of eREIT	Type of Property	Date of Purchase	Date Paid Off	Gross Leasable Square Footage or # of Units	Mortgage Financing at Date of Purchase	Cash Down Payment (eREIT Investment)	Total Equity	Contract Purchase Price Plus Acquisition Fee [a]
Pittsburgh	PA	Income eREIT	Hospitality	12/15/2015		63 *	\$ 8,267,000	\$ 2,275,000	\$ 16,764,342	\$ 25,031,342
Long Island City ...	NY	Income eREIT	Condominium	12/15/2015		2 *	**	\$ 1,990,000	\$ 525,844	\$ 2,515,844
Phoenix	AZ	Income eREIT	Multifamily	12/30/2015	6/14/2016	11 *	**	\$ 837,000	\$ 567,740	\$ 1,404,740
Seattle	WA	Income eREIT	Multifamily	1/7/2016	6/22/2017	106 *	\$ 20,250,000	\$ 1,000,000	\$ 8,447,818	\$ 28,697,818
Richland	WA	Income eREIT	Multifamily	1/7/2016		228 *	\$ 22,268,815	\$ 2,000,000	\$ 4,651,185	\$ 26,920,000
Atlanta	GA	Income eREIT	Hospitality	1/7/2016		94 *	\$ 15,500,000	\$ 3,019,355	\$ 9,126,793	\$ 24,626,793
Atlanta	GA	Income eREIT	Retail	1/21/2016	1/19/2017	81,634	\$ 4,600,000	\$ 910,000	\$ 1,230,605	\$ 6,740,605
Atlanta	GA	Income eREIT	Retail	1/21/2016	1/19/2017	81,634	**	\$ 4,600,000	\$ 2,140,605	\$ 6,740,605
Santa Monica	CA	Income eREIT	Office	1/27/2016	8/31/2017	23,557	\$ 16,600,000	\$ 1,000,000	\$ 7,050,000	\$ 23,650,000
Long Island City ...	NY	Income eREIT	Condominium	1/27/2016		3 *	**	\$ 3,177,000	\$ 765,922	\$ 3,942,922
	CA	Income eREIT	Acquisition							
Van Nuys.....			Loan	2/19/2016	12/22/2017	56,250	**	\$ 4,900,000	\$ 1,566,920	\$ 6,466,920
Cordova.....	TN	Income eREIT	Multifamily	3/2/2016		464 *	\$ 23,398,000	\$ 3,750,000	\$ 3,952,000	\$ 31,100,000
Los Angeles	CA	Income eREIT	Mixed-Use	4/6/2016	9/20/2017	37,236	**	\$ 7,315,000	\$ 2,577,674	\$ 9,892,674
Colorado Springs ..	CO	Income eREIT	Multifamily	4/29/2016		216 *	\$ 10,767,000	\$ 4,000,000	\$ 2,608,000	\$ 17,375,000
Washington	DC	Income eREIT	Multifamily	5/10/2016		56 *	\$ 24,400,000	\$ 6,475,000	\$ 3,546,507	\$ 32,421,507
Denver	CO	Growth eREIT	Multifamily	5/12/2016	12/19/2016	41 *	\$ 4,600,000	\$ 1,600,000	\$ 1,766,127	\$ 7,966,127
Jacksonville.....	FL	Growth eREIT	Multifamily	6/6/2016		679 *	\$ 27,000,000	\$ 10,850,000	\$ 15,500,000	\$ 42,500,000
Jacksonville.....	FL	Growth eREIT	Multifamily	6/6/2016		159 *	\$ 8,250,000	\$ 3,465,000	\$ 4,950,000	\$ 13,200,000
Fort Belvoir.....	VA	Growth eREIT	Multifamily	6/27/2016		76 *	\$ 7,200,000	\$ 3,648,975	\$ 3,841,026	\$ 11,041,026
Alexandria.....	VA	Growth eREIT	Multifamily	9/14/2016		216 *	\$ 28,000,000	\$ 11,421,520	\$ 14,791,725	\$ 42,791,725
	CA	Income eREIT	Acquisition							
Los Angeles			Loan	9/14/2016	4/5/2017	18,204	**	\$ 1,760,000	\$ 1,080,000	\$ 2,840,000
Richland	WA	Growth eREIT	Multifamily	9/19/2016		286 *	\$ 30,080,000	\$ 8,460,000	\$ 9,400,000	\$ 39,480,000
Woodbridge	VA	Growth eREIT	Multifamily	9/28/2016		138 *	\$ 14,800,000	\$ 8,231,826	\$ 8,665,080	\$ 23,465,080
	CA	West Coast eREIT	Acquisition							
San Pedro			Loan	10/26/2016	5/25/2017	26,708	**	\$ 1,300,000	\$ 820,000	\$ 2,120,000
	CA	West Coast eREIT	Acquisition							
Los Angeles			Loan	10/26/2016		16,000	**		\$ 1,575,000	\$ 533,000
	CA	West Coast eREIT	Acquisition							
Los Angeles			Loan	10/26/2016	5/2/2017	18,266	**	\$ 2,100,000	\$ 1,998,000	\$ 4,098,000
	TX	Heartland eREIT	Acquisition							
Pflugerville.....			Multifamily	11/11/2016		324 *	\$ 26,900,000	\$ 3,000,000	\$ 15,300,652	\$ 45,200,652
	CA	West Coast eREIT	Acquisition							
Los Angeles			Loan	11/15/2016	11/14/2017	11,324	**	\$ 1,250,000	\$ 620,000	\$ 1,870,000
	GA	East Coast eREIT	Acquisition							
Atlanta			Multifamily	11/21/2016		350 *	\$ 27,000,000	\$ 5,000,000	\$ 7,000,000	\$ 39,000,000

Property	Location	Name of eREIT	Type of Property	Date of Purchase	Date Paid Off	Gross Leasable Square Footage or # of Units	Mortgage Financing at Date of Purchase	Cash Down Payment (eREIT Investment)	Total Equity	Contract Purchase Price Plus Acquisition Fee [a]
Orlando.....	FL	East Coast eREIT	Multifamily	11/30/2016		296 *	\$ 19,676,000	\$ 7,650,000	\$ 10,200,000	\$ 29,880,000
Colorado Springs..	CO	Heartland eREIT	Multifamily	12/6/2016		147 *	\$ 10,500,000	\$ 1,000,000	\$ 3,000,000	\$ 14,500,000
Snoqualmie	WA	Income eREIT	Multifamily	12/18/2015		100 *	\$ 23,275,000	\$ 2,000,000	\$ 7,785,000	\$ 33,060,000
San Antonio	TX	Heartland eREIT	Multifamily	12/30/2016		278 *	\$ 21,190,000	\$ 7,025,000	\$ 12,975,000	\$ 41,190,000
Seattle	WA	West Coast eREIT	Mixed-Use	1/4/2017	9/14/2017	32 *	\$ 8,300,000	\$ 1,300,000	\$ 2,800,000	\$ 12,400,000
Arlington	VA	East Coast eREIT	Multifamily	1/17/2017		118 *	\$ 15,509,000	\$ 6,502,187	\$ 6,844,407	\$ 22,323,407
Los Angeles	CA	West Coast eREIT	Land	2/14/2017		10,431	**	\$ 1,720,000	\$ 480,000	\$ 2,200,000
Ann Arbor	MI	Heartland eREIT	Multifamily	3/28/2017		208 *	\$ 22,115,000	\$ 3,175,000	\$ 4,360,200	\$ 29,650,200
Tempe	AZ	Heartland eREIT	Multifamily	4/13/2017		239 *	\$ 14,492,000	\$ 2,500,000	\$ 3,850,000	\$ 20,842,000
Los Angeles	CA	West Coast eREIT	Land	4/26/2017		26,765	**	\$ 2,175,000	\$ 820,500	\$ 2,220,500
Charlotte	NC	Growth eREIT	Multifamily	4/28/2017		408 *	\$ 35,137,000	\$ 8,506,500	\$ 17,013,000	\$ 52,150,000
Los Angeles	CA	Income eREIT	Land	5/1/2017		26,307	**	\$ 10,000,000	\$ 387,812	\$ 13,870,812
Los Angeles	CA	West Coast eREIT	Land	5/10/2017	12/11/2017	28,680	**	\$ 3,125,000	\$ 852,200	\$ 3,977,200
Carlsbad.....	CA	West Coast eREIT	Land	5/11/2017		31,823	**	\$ 3,050,000	\$ 1,354,628	\$ 4,404,628
Los Angeles	CA	West Coast eREIT	Land	6/2/2017	10/26/2017	20,148	**	\$ 1,417,000	\$ 2,187,040	\$ 3,604,040
Los Angeles	CA	West Coast eREIT	Land	7/3/2017		38,797	**	\$ 2,950,000	\$ 1,327,500	\$ 4,277,500
San Marcos.....	TX	Heartland eREIT	Multifamily	8/22/2017		168 *	\$ 12,480,000	\$ 4,941,866	\$ 5,201,964	\$ 17,681,964
Phoenix.....	AZ	West Coast eREIT	Land	8/24/2017		54,441	**	\$ 1,700,000	\$ 925,000	\$ 2,625,000
Indian Land	SC	East Coast eREIT	Multifamily	8/30/2017		312 *	\$ 32,910,000	\$ 6,000,000	\$ 11,763,655	\$ 50,673,655
Wilmington	DE	Income eREIT	Multifamily	9/11/2017		301 *	\$ 42,355,000	\$ 4,000,000	\$ 8,020,720	\$ 54,375,720
Denver	CO	Heartland eREIT	Multifamily	9/28/2017		100 *	\$ 11,250,000	\$ 5,386,054	\$ 5,984,504	\$ 17,234,504
Sarasota	FL	Income eREIT	Multifamily	10/11/2017		300 *	\$ 33,800,000	\$ 4,600,000	\$ 16,917,391	\$ 55,317,391
Los Angeles	CA	West Coast eREIT	Land	10/26/2017		20,148	**	\$ 10,545,200	\$ 2,314,800	\$ 12,860,000
Aurora.....	IL	Income eREIT	Multifamily	10/30/2017		464 *	\$ 46,783,652	\$ 8,000,000	\$ 17,915,193	\$ 72,698,845
Odessa	FL	East Coast eREIT	Multifamily	10/30/2017		384 *	\$ 39,350,000	\$ 5,670,000	\$ 21,185,051	\$ 66,205,051
Georgetown.....	TX	Heartland eREIT	Multifamily	11/27/2017		270 *	\$ 22,000,000	\$ 5,815,000	\$ 13,030,442	\$ 40,845,442

Property	Location	Name of eREIT	Type of Property	Date of Purchase	Date Paid Off	Gross Leasable Square Footage or # of Units	Mortgage Financing at Date of Purchase	Cash Down Payment (eREIT Investment)	Total Equity	Contract Purchase Price Plus Acquisition Fee [a]
Los Angeles	CA	West Coast eREIT	Land	11/27/2017		16,692	**	\$ 2,650,000	\$ 710,179	\$ 3,360,179
Denver	CO	Heartland eREIT	Multifamily	11/30/2017		110	*	\$ 11,900,000	\$ 5,034,285	\$ 17,439,650
Springfield.....	MO	Income eREIT	Multifamily	12/11/2017		166	*	\$ 27,900,000	\$ 4,500,000	\$ 46,434,330
Los Angeles	CA	Income eREIT	Land	1/10/2017	1/5/2018		**	\$ 3,235,000	\$ 820,000	\$ 4,055,000
Los Angeles	CA	Income eREIT	Land	11/2/2017		27,878	**	\$ 5,985,000	\$ 1,460,000	\$ 7,445,000
Los Angeles	CA	Income eREIT	Land	5/31/2017	3/7/2018	13,488	**	\$ 1,588,019	\$ 991,540	\$ 2,291,540
Salt Lake City	UT	Income eREIT	Multifamily	10/19/2017		158	*	\$ 19,300,000	\$ 2,517,500	\$ 27,788,000
Colorado Springs ..	CO	Income eREIT	Multifamily	11/10/2017		312	*	\$ 14,680,000	\$ 931,960	\$ 18,350,000
Colorado Springs ..	CO	Income eREIT	Multifamily	11/10/2017		183	*	\$ 12,660,000	\$ 1,114,300	\$ 16,765,000
Washington	DC	East Coast eREIT	Multifamily	11/30/2017		10	*	\$ 1,900,000	\$ 350,654	\$ 2,607,535
Colorado Springs ..	CO	Heartland eREIT	Multifamily	7/17/2017		92	*	\$ 4,200,000	\$ 265,000	\$ 5,253,700
Colorado Springs ..	CO	Heartland eREIT	Multifamily	7/17/2017		120	*	\$ 6,051,000	\$ 375,000	\$ 7,505,000
Chicago	IL	Heartland eREIT	Retail	11/2/2017		43,055		\$ 8,000,000	\$ 500,000	\$ 13,315,019
Seattle	WA	West Coast eREIT	Land	12/6/2017		8,400	**	\$ 2,500,000	\$ 366,307	\$ 2,866,307
Agoura Hills.....	CA	West Coast eREIT	Multifamily	10/10/2017		18	*	\$ 5,850,000	\$ 2,434,549	\$ 8,695,000

* Number of residential units (not square footage).

** Originated investment represents a senior secured loan.

[a] Amounts include any additional construction and development costs associated with the project

**SUBSCRIPTION AGREEMENT
FOR ACCREDITED INVESTORS**

FUNDRISE OPPORTUNITY FUND, LP
A DELAWARE LIMITED PARTNERSHIP

This is a Subscription for
Common Units of
Fundrise Opportunity Fund, LP ("*Fundrise*")

NOTICE REGARDING AGREEMENT TO ARBITRATE

THIS SUBSCRIPTION AGREEMENT REQUIRES THAT ALL INVESTORS ARBITRATE ANY DISPUTE ARISING OUT OF THEIR INVESTMENT IN THE FUND. ALL INVESTORS FURTHER AGREE THAT THE ARBITRATION WILL BE BINDING AND HELD IN WASHINGTON, D.C. EACH INVESTOR ALSO AGREES TO WAIVE ANY RIGHTS TO A JURY TRIAL. OUT OF STATE ARBITRATION MAY FORCE AN INVESTOR TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. OUT OF STATE ARBITRATION MAY ALSO COST AN INVESTOR MORE TO ARBITRATE A SETTLEMENT OF A DISPUTE.

BY AGREEING TO BE SUBJECT TO THE ARBITRATION PROVISION CONTAINED IN OUR SUBSCRIPTION AGREEMENT, INVESTORS WILL NOT BE DEEMED TO WAIVE THE FUND'S COMPLIANCE WITH THE FEDERAL SECURITIES LAWS AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.

THIS OFFERING IS MADE IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS DESCRIBED ABOVE. THE FUND WILL NOT BE OBLIGATED TO REGISTER THE COMMON UNITS UNDER THE SECURITIES ACT IN THE FUTURE. THERE CURRENTLY IS NO PUBLIC OR OTHER MARKET FOR THE COMMON UNITS AND IT IS NOT EXPECTED THAT ANY SUCH MARKET WILL DEVELOP. ALL OF THE COMMON UNITS WILL BE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT AND THEREFORE MAY NOT BE TRANSFERRED BY A HOLDER THEREOF WITHIN THE UNITED STATES OR TO A "U.S. PERSON" UNLESS SUCH TRANSFER IS MADE PURSUANT TO REGISTRATION UNDER THE SECURITIES ACT, PURSUANT TO AN EXEMPTION THEREFROM (INCLUDING, IF APPLICABLE RULE 144), OR IN A TRANSACTION OUTSIDE THE UNITED STATES PURSUANT TO THE RESALE PROVISIONS OF REGULATION S. MOREOVER, THE LIMITED PARTNERSHIP AGREEMENT OF THE FUND PROVIDES FOR CERTAIN RESTRICTIONS ON TRANSFERS OF COMMON UNITS.

THIS SUBSCRIPTION AGREEMENT (this “*Agreement*” or this “*Subscription*”) is made and entered into as of _____, by and between the undersigned (the “*Subscriber*,” “*Investor*,” or “*you*”) and **Fundrise Opportunity Fund, LP**, a Delaware limited partnership (“*Fundrise*” or “*we*” or “*us*” or “*our*”), with reference to the facts set forth below.

WHEREAS, subject to the terms and conditions of this Agreement, the Subscriber wishes to irrevocably subscribe for and purchase (subject to acceptance of such subscription by Fundrise) certain Common Units (the “*Common Units*”), as set forth in Section 1 and on the signature page hereto, offered pursuant to that certain Private Placement Memorandum, dated as of July 31, 2018 (the “*PPM*”) of Fundrise.

NOW, THEREFORE, in order to implement the foregoing and in consideration of the mutual representations, warranties, covenants and agreements contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. *Subscription for and Purchase of the Common Units.*

1.1 Subject to the express terms and conditions of this Agreement, the Subscriber hereby irrevocably subscribes for and agrees to purchase the Common Units (the “*Purchase*”) in the amount of the purchase price (the “*Purchase Price*”) set forth on the signature page to this Agreement.

1.2 Unless subscribing pursuant to a plan established by Fundrise Advisors, LLC, Fundrise’s manager, the Subscriber must initially purchase at least 100 Common Units in this offering, unless subscribing pursuant to a plan established by our Manager. There is no minimum subscription requirements when subscribing pursuant to a plan established by our Manager or on additional purchases once the Subscriber has purchased the requisite minimum of 2,500 Common Units.

1.3 The offering of Common Units is described in the PPM, that is available through the online website platform www.fundrise.com (the “*Site*”), which is owned and operated by Fundrise, LLC, an affiliated entity of Fundrise. Please read this Agreement, the PPM, and Fundrise’s Amended and Restated Limited Partnership Agreement (the “*Limited Partnership Agreement*”). While they are subject to change, as described below, Fundrise advises you to print and retain a copy of these documents for your records. By signing electronically below, you agree to the following terms together with the Terms and Conditions and the Terms of Use, consent to Fundrise, LLC’s Privacy Policy, and agree to transact business with us and to receive communications relating to the Common Units electronically.

1.4 Fundrise has the right to reject this Subscription in whole or in part for any reason. The Subscriber may not cancel, terminate or revoke this Agreement, which, in the case of an individual, shall survive his death or disability and shall be binding upon the Subscriber, his heirs, trustees, beneficiaries, executors, personal or legal administrators or representatives, successors, transferees and assigns.

1.5 Once you make a funding commitment to purchase Common Units, it is irrevocable until the Common Units are issued, the Purchase is rejected by Fundrise, or Fundrise otherwise determines not to consummate the transaction.

1.6 The undersigned has received and read a copy of the Fundrise’s Limited Partnership Agreement and agrees that its execution of this Subscription Agreement constitutes its consent to such Limited Partnership Agreement, and, that upon acceptance of this Subscription Agreement by Fundrise, the undersigned will become a member of Fundrise as a holder of Common Units. When this Subscription Agreement is countersigned by the Fund, the undersigned is deemed to have executed the Limited Partnership Agreement, which shall be binding upon the undersigned as of the settlement date.

2. *Purchase of the Common Units.*

2.1 The Subscriber understands that the Purchase Price is payable with the execution and submission of this Agreement, and accordingly, is submitting herewith to Fundrise the Purchase Price as agreed to by Fundrise on the Site.

2.2 If Fundrise returns the Subscriber's Purchase Price to the Subscriber, Fundrise will not pay any interest to the Subscriber.

2.3 If this Subscription is accepted by Fundrise, the Subscriber agrees to comply fully with the terms of this Agreement, the Common Units and all other applicable documents or instruments of Fundrise, including the Limited Partnership Agreement. The Subscriber further agrees to execute any other necessary documents or instruments in connection with this Subscription and the Subscriber's purchase of the Common Units.

2.4 In the event that this Subscription is rejected in full or the offering is terminated, payment made by the Subscriber to Fundrise for the Common Units will be refunded to the Subscriber without interest and without deduction, and all of the obligations of the Subscriber hereunder shall terminate. To the extent that this Subscription is rejected in part, Fundrise shall refund to the Subscriber any payment made by the Subscriber to Fundrise with respect to the rejected portion of this Subscription without interest and without deduction, and all of the obligations of Subscriber hereunder shall remain in full force and effect except for those obligations with respect to the rejected portion of this Subscription, which shall terminate.

2.5 To the extent that the funds are not ultimately received by Fundrise or are subsequently withdrawn by the Subscriber, whether due to an ACH chargeback or otherwise, the Subscription Agreement will be considered terminated, and the Subscriber shall not be entitled to any units subscribed for or dividends that may have accrued.

3. Investment Representations and Warranties of the Subscriber. The Subscriber represents and warrants to Fundrise the following:

3.1 The information that the Subscriber has furnished herein, including (without limitation) the information furnished by the Subscriber to Fundrise, LLC, an affiliate of Fundrise, upon signing up for the Site regarding whether Subscriber qualifies as an "accredited investor" as that term is defined in Rule 501 under Regulation D promulgated under the Securities Act of 1933, as amended (the "*Act*") is correct and complete as of the date of this Agreement and will be correct and complete on the date, if any, that Fundrise accepts this subscription. Further, the Subscriber shall immediately notify Fundrise of any change in any statement made herein prior to the Subscriber's receipt of Fundrise's acceptance of this Subscription, including, without limitation, Subscriber's status as an "accredited investor". The representations and warranties made by the Subscriber may be fully relied upon by Fundrise and by any investigating party relying on them.

3.2 The Subscriber, if an entity, is, and shall at all times while it holds Common Units remain, duly organized, validly existing and in good standing under the laws of the state or other jurisdiction of the United States of America of its incorporation or organization, having full power and authority to own its properties and to carry on its business as conducted. The Subscriber, if a natural person, is eighteen (18) years of age or older, competent to enter into a contractual obligation, and a citizen or resident of the United States of America. The principal place of business or principal residence of the Subscriber is as shown on the signature page of this Agreement.

3.3 The Subscriber has the requisite power and authority to deliver this Agreement, perform his, her or its obligations set forth herein, and consummate the transactions contemplated hereby. The Subscriber has duly executed and delivered this Agreement and has obtained the necessary authorization to execute and deliver this Agreement and to perform his, her or its obligations herein and to consummate the transactions contemplated hereby. This Agreement, assuming the due execution and delivery hereof by Fundrise, is a legal, valid and binding obligation of the Subscriber enforceable against the Subscriber in accordance with its terms.

3.4 At no time has it been expressly or implicitly represented, guaranteed or warranted to the Subscriber by Fundrise or any other person that:

- a. A percentage of profit and/or amount or type of gain or other consideration will be realized as a result of this investment; or

- b. The past performance or experience on the part of Fundrise and/or its officers or directors does not in any way indicate the predictable or probable results of the ownership of the Common Units or the overall Fundrise venture.

3.5 The Subscriber has received this Agreement, the PPM and the Limited Partnership Agreement. The Subscriber and/or the Subscriber's advisors, who are not affiliated with and not compensated directly or indirectly by Fundrise or an affiliate thereof, have such knowledge and experience in business and financial matters as will enable them to utilize the information which they have received in connection with Fundrise and its business to evaluate the merits and risks of an investment, to make an informed investment decision and to protect Subscriber's own interests in connection with the Purchase.

3.6 The Subscriber understands that the Common Units being purchased are a speculative investment which involves a substantial degree of risk of loss of the Subscriber's entire investment in the Common Units, and the Subscriber understands and is fully cognizant of the risk factors related to the purchase of the Common Units. The Subscriber has read, reviewed and understood the risk factors set forth in the PPM.

3.7 The Subscriber understands that any forecasts or predictions as to Fundrise's performance are based on estimates, assumptions and forecasts that Fundrise believes to be reasonable but that may prove to be materially incorrect, and no assurance is given that actual results will correspond with the results contemplated by the various forecasts.

3.8 The Subscriber is able to bear the economic risk of this investment and, without limiting the generality of the foregoing, is able to hold this investment for an indefinite period of time. The Subscriber has adequate means to provide for the Subscriber's current needs and personal contingencies and has a sufficient net worth to sustain the loss of the Subscriber's entire investment in Fundrise.

3.9 [Reserved].

3.10 The Subscriber has had an opportunity to ask questions of Fundrise or anyone acting on its behalf and to receive answers concerning the terms of this Agreement and the Common Units, as well as about Fundrise and its business generally, and to obtain any additional information that Fundrise possesses or can acquire without unreasonable effort or expense, that is necessary to verify the accuracy of the information contained in this Agreement. Further, all such questions have been answered to the full satisfaction of the Subscriber.

3.11 The Subscriber agrees to provide any additional documentation Fundrise may reasonably request, including documentation as may be required by Fundrise to form a reasonable basis that the Subscriber qualifies as an "accredited investor" as that term is defined in Rule 501 under Regulation D promulgated under the Act, or as may be required by the securities administrators or regulators of any state, to confirm that the Subscriber meets any applicable minimum financial suitability standards and has satisfied any applicable maximum investment limits.

3.12 The Subscriber understands that no state or federal authority has scrutinized this Agreement or the Common Units offered pursuant hereto, has made any finding or determination relating to the fairness for investment of the Common Units, or has recommended or endorsed the Common Units, and that the Common Units have not been registered or qualified under the Act or any state securities laws, in reliance upon exemptions from registration thereunder.

3.13 The Subscriber understands that Fundrise has not been registered under the Investment Company Act of 1940. In addition, the Subscriber understands that Fundrise is not registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), although Fundrise's manager, Fundrise Advisors, LLC, is registered as an investment adviser under the Advisers Act.

3.14 The Subscriber is subscribing for and purchasing the Common Units without being furnished any offering literature, other than the PPM, the Limited Partnership Agreement and this

Agreement, and such other related documents, agreements or instruments as may be attached to the foregoing documents as exhibits or supplements thereto, or as the Subscriber has otherwise requested from Fundrise in writing, and without receiving any representations or warranties from Fundrise or its agents and representatives other than the representations and warranties contained in said documents, and is making this investment decision solely in reliance upon the information contained in said documents and upon any investigation made by the Subscriber or Subscriber's advisors.

3.15 The Subscriber's true and correct full legal name, address of residence (or, if an entity, principal place of business), phone number, electronic mail address, United States taxpayer identification number, if any, and other contact information are accurately provided on signature page hereto. The Subscriber is currently a bona fide resident of the state or jurisdiction set forth in the current address provided to Fundrise. The Subscriber has no present intention of becoming a resident of any other state or jurisdiction.

3.16 The Subscriber is subscribing for and purchasing the Common Units solely for the Subscriber's own account, for investment purposes only, and not with a view toward or in connection with resale, distribution (other than to its unitholders or members, if any), subdivision or fractionalization thereof. The Subscriber has no agreement or other arrangement, formal or informal, with any person or entity to sell, transfer or pledge any part of the Common Units, or which would guarantee the Subscriber any profit, or insure against any loss with respect to the Common Units, and the Subscriber has no plans to enter into any such agreement or arrangement.

3.17 The Subscriber represents and warrants that the execution and delivery of this Agreement, the consummation of the transactions contemplated thereby and hereby and the performance of the obligations thereunder and hereunder will not conflict with or result in any violation of or default under any provision of any other agreement or instrument to which the Subscriber is a party or any license, permit, franchise, judgment, order, writ or decree, or any statute, rule or regulation, applicable to the Subscriber. The Subscriber confirms that the consummation of the transactions envisioned herein, including, but not limited to, the Subscriber's Purchase, will not violate any foreign law and that such transactions are lawful in the Subscriber's country of citizenship and residence.

3.18 Fundrise's intent is to comply with all applicable federal, state and local laws designed to combat money laundering and similar illegal activities, including the provisions of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "PATRIOT Act"). Subscriber hereby represents, covenants, and agrees that, to the best of Subscriber's knowledge based on reasonable investigation:

- (a) None of the Subscriber's funds tendered for the Purchase Price (whether payable in cash or otherwise) shall be derived from money laundering or similar activities deemed illegal under federal laws and regulations.
- (b) To the extent within the Subscriber's control, none of the Subscriber's funds tendered for the Purchase Price will cause Fundrise or any of its personnel or affiliates to be in violation of federal anti-money laundering laws, including (without limitation) the Bank Secrecy Act (31 U.S.C. 5311 et seq.), the United States Money Laundering Control Act of 1986 or the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, and/or any regulations promulgated thereunder.
- (c) When requested by Fundrise, the Subscriber will provide any and all additional information, and the Subscriber understands and agrees that Fundrise may release confidential information about the Subscriber and, if applicable, any underlying beneficial owner or Related Person¹ to U.S. regulators and law enforcement authorities,

¹ For purposes of this Section 3.18, the terms "*Related Person*", "*Prohibited Investor*", "*Senior Foreign Political Figure*", "*Close Associate*", "*Non-Cooperative Jurisdiction*" and "*Foreign Shell Bank*" shall have the meanings described below: "*Close Associate of a Senior Foreign Political Figure*" shall mean a person who is widely and publicly known internationally to maintain an unusually close relationship with the Senior Foreign Political Figure,

deemed reasonably necessary to ensure compliance with all applicable laws and regulations concerning money laundering and similar activities. Fundrise reserves the right to request any information as is necessary to verify the identity of the Subscriber and the source of any payment to the Fund. In the event of delay or failure by the Subscriber to produce any information required for verification purposes, the subscription by the Subscriber may be refused.

- (d) Neither the Subscriber, nor any person or entity controlled by, controlling or under common control with the Subscriber, any of the Subscriber's beneficial owners, any person for whom the Subscriber is acting as agent or nominee in connection with this investment nor, in the case of an Subscriber which is an entity, any Related Person is:
- (i) a Prohibited Investor;
 - (ii) a Senior Foreign Political Figure, any member of a Senior Foreign Political Figure's "immediate family," which includes the figure's parents, siblings, spouse, children and in-laws, or any Close Associate of a Senior Foreign Political Figure, or a person or entity resident in, or organized or chartered under, the laws of a Non-Cooperative Jurisdiction;
 - (iii) a person or entity resident in, or organized or chartered under, the laws of a jurisdiction that has been designated by the U.S. Secretary of the Treasury under Section 311 or 312 of the PATRIOT Act as warranting special measures due to money laundering concerns; or Bank without a physical presence in any country, but does not include a regulated affiliate; "Foreign Bank" shall mean an organization that (i) is organized under the laws of a foreign country, (ii) engages in the business of banking, (iii) is recognized as a bank by the bank supervisory or monetary authority of the country of its organization or principal banking operations, (iv) receives deposits to a substantial extent in the regular course of its business, and (v) has the power to accept demand deposits, but does not include the U.S. branches or agencies of a foreign bank; "Non-Cooperative Jurisdiction" shall mean any foreign country that has been designated as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Task Force on Money Laundering, of which the U.S. is a member and with which designation the U.S. representative to the group or organization continues to concur; "Prohibited Investor" shall mean a person or entity whose name appears on (i) the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control; (ii) other lists of prohibited persons and entities as may be mandated by applicable law or regulation; or (iii) such other lists of prohibited persons and entities as may be provided to the Fund in connection therewith; "Related Person" shall mean, with respect to any entity, any interest holder, director, senior officer, trustee, beneficiary or grantor of such entity; provided that in the case of an entity that is a publicly traded company or a tax qualified pension or retirement plan in which at least 100 employees participate that is maintained by an employer that is organized in the U.S. or is a U.S. government entity, the term "Related Person" shall exclude any interest holder holding less than 5% of any class of securities of such publicly traded company and beneficiaries of such plan; "Senior Foreign Political Figure" shall mean a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a

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; "**Foreign Shell Bank**" shall mean a Foreign Bank without a presence in any country.

senior executive of a foreign 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.

- (iv) a person or entity who gives Subscriber reason to believe that its funds originate from, or will be or have been routed through, an account maintained at a Foreign Shell Bank, an “offshore bank,” or a bank organized or chartered under the laws of a Non-Cooperative Jurisdiction.
- (e) The Subscriber hereby agrees to immediately notify Fundrise if the Subscriber knows, or has reason to suspect, that any of the representations in this Section 3.18 have become incorrect or if there is any change in the information affecting these representations and covenants.
- (f) The Subscriber agrees that, if at any time it is discovered that any of the foregoing anti-money laundering representations are incorrect, or if otherwise required by applicable laws or regulations, Fundrise may undertake appropriate actions, and the Subscriber agrees to cooperate with such actions, to ensure compliance with such laws or regulations, including, but not limited to segregation and/or redemption of the Subscriber’s interest in the Common Units.

3.19 The Subscriber represents and warrants that the Subscriber is either:

- (a) Purchasing the Common Units with funds that constitute the assets one or more of the following:
 - (i) an “employee benefit plan” as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that is subject to Title I of ERISA;
 - (ii) an “employee benefit plan” as defined in Section 3(3) of ERISA that is not subject to either Title I of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”) (including a governmental plan, non-electing church plan or foreign plan). The Subscriber hereby represents and warrants that (a) its investment in Fundrise: (i) does not violate and is not otherwise inconsistent with the terms of any legal document constituting or governing the employee benefit plan; (ii) has been duly authorized and approved by all necessary parties; and (iii) is in compliance with all applicable laws, and (b) neither Fundrise nor any person who manages the assets of Fundrise will be subject to any laws, rules or regulations applicable to such Subscriber solely as a result of the investment in Fundrise by such Subscriber;
 - (iii) a plan that is subject to Section 4975 of the Code (including an individual retirement account);
 - (iv) an entity (including, if applicable, an insurance company general account) whose underlying assets include “plan assets” of one or more “employee benefit plans” that are subject to Title I of ERISA or “plans” that are subject to Section 4975 of the Code by reason of the investment in such entity, directly or indirectly, by such employee benefit plans or plans; or
 - (v) an entity that (a) is a group trust within the meaning of Revenue Ruling 81-100, a common or collective trust fund of a bank or an insurance company separate account and (b) is subject to Title I of ERISA, Section 4975 of the Code or both; or

- (b) Not purchasing the Common Units with funds that constitute the assets of any of the entities or plans described in Section 3.19(a)(i) through 3.19(a)(v) above.

3.20 The Subscriber further represents and warrants that neither Subscriber nor any of its affiliates (a) have discretionary authority or control with respect to the assets of Fundrise or (b) provide investment advice for a fee (direct or indirect) with respect to the assets of Fundrise. For this purpose, an “affiliate” includes any person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the person and “control” with respect to a person other than an individual means the power to exercise a controlling influence over the management or policies of such person.

3.21 The Subscriber confirms that if the Subscriber intends to qualify for the benefits of investing in a “qualified opportunity fund” as defined in Section 1400Z-2 of the Code, the Subscriber has consulted with the Subscriber’s own tax advisors regarding the eligibility of the Subscriber’s investment, including the gains eligible for investment, the timing of the Subscriber’s contribution to the Fund, the contemplated structure of the Fund and the holding period required for the Subscriber’s investment. The Subscriber acknowledges that it is the Subscriber’s sole responsibility for ensuring that the Subscriber’s investment qualifies for the benefits of investing in a “qualified opportunity fund” (if applicable), and the Subscriber understands that the Fund has no obligation regarding the Subscriber’s tax planning related to an investment in the Fund.

3.22 The Subscriber confirms that the Subscriber has been advised to consult with the Subscriber’s independent attorney regarding legal matters concerning Fundrise and to consult with independent tax advisers regarding the tax consequences of investing through Fundrise, including those described in Section 3.21. The Subscriber acknowledges that Subscriber understands that any anticipated United States federal or state income tax benefits, including those related to an investment in a “qualified opportunity fund,” may not be available and, further, may be adversely affected through adoption of new laws or regulations or amendments to existing laws or regulations. The Subscriber acknowledges and agrees that Fundrise is providing no warranty or assurance regarding the ultimate availability of any tax benefits to the Subscriber by reason of the Purchase.

4. Ownership Limitation. The Subscriber acknowledges and agrees that, pursuant to the terms of the limited partnership agreement (assuming we elect REIT status), the Subscriber generally cannot own, or be deemed to own by virtue of certain attribution provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and as set forth in the limited partnership agreement, either more than 9.8% in value or in number of our Common Units, whichever is more restrictive, or more than 9.8% in value or in number of our units, whichever is more restrictive. The Limited Partnership Agreement will include additional restrictions on ownership, including ownership that would result in (i) us being “closely held” within the meaning of Section 856(h) of the Code, (ii) us failing to qualify as a REIT or (iii) our units being beneficially owned by fewer than 100 persons (as determined under Section 856(a)(5) of the Code). The Subscriber also acknowledges and agrees that, pursuant to the terms of the Limited Partnership Agreement, the Subscriber’s ownership of our Common Units cannot cause any other person to violate the foregoing limitations on ownership.
5. Tax Forms. The Subscriber will also need to complete an IRS Form W-9 or the appropriate Form W-8, which should be returned directly to us via the Fundrise Platform. The Subscriber certifies that the information contained in the executed copy (or copies) of IRS Form W-9 or appropriate IRS Form W-8 (and any accompanying required documentation), as applicable, when submitted to us will be true, correct and complete. The Subscriber shall (i) promptly inform us of any change in such information, and (ii) furnish to us a new properly completed and executed form, certificate or attachment, as applicable, as may be required under the Internal Revenue Service instructions to such forms, the Code or any applicable Treasury Regulations or as may be requested from time to time by us.
6. [Reserved].
7. No Advisory Relationship. You acknowledge and agree that the purchase and sale of the Common Units pursuant to this Agreement is an arms-length transaction between you and Fundrise. In connection with the

purchase and sale of the Common Units, Fundrise is not acting as your agent or fiduciary. Fundrise assumes no advisory or fiduciary responsibility in your favor in connection with the Common Units or the corresponding project investments. Fundrise has not provided you with any legal, accounting, regulatory or tax advice with respect to the Common Units, and you have consulted your own respective legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate.

8. *Bankruptcy.* In the event that you file or enter bankruptcy, insolvency or other similar proceeding, you agree to use the best efforts possible to avoid Fundrise being named as a party or otherwise involved in the bankruptcy proceeding. Furthermore, this Agreement should be interpreted so as to prevent, to the maximum extent permitted by applicable law, any bankruptcy trustee, receiver or debtor-in-possession from asserting, requiring or seeking that (i) you be allowed by Fundrise to return the Common Units to Fundrise for a refund or (ii) Fundrise be mandated or ordered to redeem or withdraw Common Units held or owned by you.

9. *Miscellaneous Provisions.*

9.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (without regard to the conflicts of laws principles thereof).

9.2 All notices and communications to be given or otherwise made to the Subscriber shall be deemed to be sufficient if sent by electronic mail to such address as set forth for the Subscriber at the records of Fundrise (or that you submitted to us via the Site). You shall send all notices or other communications required to be given hereunder to Fundrise via email at investments@fundrise.com (with a copy to be sent concurrently via prepaid certified mail to: Fundrise Opportunity Fund, LP, 1601 Connecticut Ave., NW, Suite 300, Washington, DC 20009, Attention: Investor Relations).

Any such notice or communication shall be deemed to have been delivered and received on the first business day following that on which the electronic mail has been sent (assuming that there is no error in delivery). As used in this Section, "business day" shall mean any day other than a day on which banking institutions in the State of Delaware are legally closed for business.

9.3 This Agreement, or the rights, obligations or interests of the Subscriber hereunder, may not be assigned, transferred or delegated without the prior written consent of Fundrise. Any such assignment, transfer or delegation in violation of this section shall be null and void.

9.4 The parties agree to execute and deliver such further documents and information as may be reasonably required in order to effectuate the purposes of this Agreement.

9.5 Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of each of the parties hereto.

9.6 If one or more provisions of this Agreement are held to be unenforceable under applicable law, rule or regulation, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

9.7 In the event that either party hereto shall commence any suit, action or other proceeding to interpret this Agreement, or determine to enforce any right or obligation created hereby, then such party, if it prevails in such action, shall recover its reasonable costs and expenses incurred in connection therewith, including, but not limited to, reasonable attorney's fees and expenses and costs of appeal, if any.

9.8 This Agreement (including the exhibits and schedules attached hereto) and the documents referred to herein (including without limitation the Common Units) constitute the entire agreement among the parties and shall constitute the sole documents setting forth terms and conditions of the Subscriber's contractual relationship with Fundrise with regard to the matters set forth herein. This Agreement

supersedes any and all prior or contemporaneous communications, whether oral, written or electronic, between us.

9.9 This Agreement may be executed in any number of counterparts, or facsimile counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

9.10 The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. The singular number or masculine gender, as used herein, shall be deemed to include the plural number and the feminine or neuter genders whenever the context so requires.

9.11 The parties acknowledge that there are no third party beneficiaries of this Agreement, except for any affiliates of Fundrise that may be involved in the issuance or servicing of Common Units on Fundrise platform, which the parties expressly agree shall be third party beneficiaries hereof.

10. Consent to Electronic Delivery. The Subscriber hereby agrees that Fundrise may deliver all notices, financial statements, valuations, reports, reviews, analyses or other materials, and any and all other documents, information and communications concerning the affairs of Fundrise and its investments, including, without limitation, information about the investment, required or permitted to be provided to the Subscriber under the Common Units or hereunder by means e-mail or by posting on an electronic message board or by other means of electronic communication. Because Fundrise operates principally on the Internet, you will need to consent to transact business with us online and electronically. As part of doing business with us, therefore, we also need you to consent to our giving you certain disclosures electronically, either via the Site or to the email address you provide to us. By entering into this Agreement, you consent to receive electronically all documents, communications, notices, contracts, and agreements arising from or relating in any way to your or our rights, obligations or services under this Agreement (each, a “**Disclosure**”). The decision to do business with us electronically is yours. This document informs you of your rights concerning Disclosures.
- (a) *Scope of Consent.* Your consent to receive Disclosures and transact business electronically, and our agreement to do so, applies to any transactions to which such Disclosures relate.
 - (b) *Consenting to Do Business Electronically.* Before you decide to do business electronically with us, you should consider whether you have the required hardware and software capabilities described below.
 - (c) *Hardware and Software Requirements.* In order to access and retain Disclosures electronically, you must satisfy the following computer hardware and software requirements: access to the Internet; an email account and related software capable of receiving email through the Internet; a web browser which is SSL-compliant and supports secure sessions; and hardware capable of running this software.
 - (d) *How to Contact Us Regarding Electronic Disclosures.* You can contact us via email at investments@fundrise.com. You may also reach us in writing at the following address: Fundrise Opportunity Fund, LP, 1601 Connecticut Ave., NW, Suite 300, Washington, DC 20009, Attention: Investor Support. You agree to keep us informed of any change in your email or home mailing address so that you can continue to receive all Disclosures in a timely fashion. If your registered e-mail address changes, you must notify us of the change by sending an email to investments@fundrise.com. You also agree to update your registered residence address and telephone number on the Site if they change. You will print a copy of this Agreement for your records, and you agree and acknowledge that you can access, receive and retain all Disclosures electronically sent via email or posted on the Site.

11. Consent to Electronic Delivery of Tax Documents.

- (a) Please read this disclosure about how we will provide certain documents that we are required by the Internal Revenue Service (the “IRS”) to send to you (“Tax Documents”) in connection with your Common Units. A Tax Document provides important information you need to complete your tax returns. Tax Documents include Form 1099 or Form K-1. Occasionally, we are required to send you CORRECTED Tax Documents. Additionally, we may include inserts with your Tax Documents. We are required to send Tax Documents to you in writing, which means in paper form. When you consent to electronic delivery of your Tax Documents, you will be consenting to delivery of Tax Documents, including these corrected Tax Documents and inserts, electronically instead of in paper form.
- (b) *Agreement to Receive Tax Documents Electronically.* By executing this Agreement on the Fundrise Platform, you are consenting in the affirmative that we may send Tax Documents to you electronically, and acknowledging that you are able to access Tax Documents from the site which are made available under “My Account” > “Tax Center”. If you subsequently withdraw consent to receive Tax Documents electronically, a paper copy will be provided. Your consent to receive the Tax Documents electronically continues for every tax year until you withdraw your consent.
- (c) *How We Will Notify You That a Tax Document is Available.* You will receive an electronic notification via email when your Tax Documents are ready for access on the Site. Your Tax Documents are maintained on the Site through at least October 15 of the applicable tax year, at a minimum, should you ever need to access them again.
- (d) *Your Option to Receive Paper Copies.* To obtain a paper copy of your Tax Documents, you can print one by visiting the Fundrise web site. You can also contact us at investments@fundrise.com and request a paper copy.
- (e) *Withdrawal of Consent to Receive Electronic Notices.* You can withdraw your consent before the Tax Document is furnished by mailing a letter including your name, mailing address, effective tax year, and indicating your intent to withdraw consent to the electronic delivery of Tax Documents to:

Fundrise Opportunity Fund, LP
Attention: Investor Support
1601 Connecticut Avenue NW
Suite 300
Washington, DC 20009

If you withdraw consent to receive Tax Documents electronically, a paper copy will be provided, and you will be charged for expenses incurred in creating and delivering such paper copies. Your consent to receive the Tax Documents electronically continues for every tax year until you withdraw your consent.

- (f) *Termination of Electronic Delivery of Tax Documents.* We may terminate your request for electronic delivery of Tax Documents without your withdrawal of consent in writing in the following instances:
- You don’t have a password for your Fundrise account
 - Your Fundrise account is closed
 - You were removed from the Fundrise account
 - Your role or authority on the Fundrise account changed in a manner that no longer allows you to consent to electronic delivery
 - We received three consecutive email notifications that indicate your email address is no longer valid

- We cancel the electronic delivery of Tax Documents
- (g) *You Must Keep Your E-mail Address Current With Us.* You must promptly notify us of a change of your email address. If your mailing address, email address, telephone number or other contact information changes, you may also provide updated information by contacting us at investments@fundrise.com .
- (h) *Hardware and Software Requirements* . In order to access and retain Tax Documents electronically, you must satisfy the computer hardware and software requirements as set forth above in Section 10(c) of this Agreement. You will also need a printer if you wish to print Tax Documents on paper, and electronic storage if you wish to download and save Tax Documents to your computer.
12. *Limitations on Damages.* IN NO EVENT SHALL FUNDRISE BE LIABLE TO THE SUBSCRIBER FOR ANY LOST PROFITS OR SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING SHALL BE INTERPRETED AND HAVE EFFECT TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, RULE OR REGULATION.
13. *Arbitration.*
- (a) Either party may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a Claim be final and binding arbitration pursuant to this Section 13 (this “**Arbitration Provision**”). The arbitration shall be conducted in Washington, DC. As used in this Arbitration Provision, “**Claim**” shall include any past, present, or future claim, dispute, or controversy involving you (or persons claiming through or connected with you), on the one hand, and Fundrise (or persons claiming through or connected with Fundrise), on the other hand, relating to or arising out of this Agreement, any Common Units, the Site, and/or the activities or relationships that involve, lead to, or result from any of the foregoing, including (except to the extent provided otherwise in the last sentence of Section (e) below) the validity or enforceability of this Arbitration Provision, any part thereof, or the entire Agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law, or principles of equity; or otherwise. Claims include (without limitation) matters arising as initial claims, counter-claims, cross-claims, third-party claims, or otherwise. The scope of this Arbitration Provision is to be given the broadest possible interpretation that is enforceable.
- (b) The party initiating arbitration shall do so with the American Arbitration Association (the “AAA”) or JAMS. The arbitration shall be conducted according to, and the location of the arbitration shall be determined in accordance with, the rules and policies of the administrator selected, except to the extent the rules conflict with this Arbitration Provision or any countervailing law. In the case of a conflict between the rules and policies of the administrator and this Arbitration Provision, this Arbitration Provision shall control, subject to countervailing law, unless all parties to the arbitration consent to have the rules and policies of the administrator apply.
- (c) If we elect arbitration, we shall pay all the administrator’s filing costs and administrative fees (other than hearing fees). If you elect arbitration, filing costs and administrative fees (other than hearing fees) shall be paid in accordance with the rules of the administrator selected, or in accordance with countervailing law if contrary to the administrator’s rules. We shall pay the administrator’s hearing fees for one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the party requesting the hearing, unless the administrator’s rules or applicable law require otherwise, or you request that we pay them and we agree to do so. Each party shall bear the expense of its own attorney’s fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein.
- (d) Within 30 days of a final award by the arbitrator, a party may appeal the award for reconsideration by a three-arbitrator panel selected according to the rules of the arbitrator administrator. In the event of such an appeal, an opposing party may cross-appeal within 30 days after notice of the appeal. The panel will

reconsider de novo all aspects of the initial award that are appealed. Costs and conduct of any appeal shall be governed by this Arbitration Provision and the administrator's rules, in the same way as the initial arbitration proceeding. Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act (the "FAA"), and may be entered as a judgment in any court of competent jurisdiction.

(e) We agree not to invoke our right to arbitrate an individual Claim that you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE, OR COLLECTIVE BASIS (INCLUDING AS PRIVATE ATTORNEY GENERAL ON BEHALF OF OTHERS), EVEN IF THE CLAIM OR CLAIMS THAT ARE THE SUBJECT OF THE ARBITRATION HAD PREVIOUSLY BEEN ASSERTED (OR COULD HAVE BEEN ASSERTED) IN A COURT AS CLASS REPRESENTATIVE, OR COLLECTIVE ACTIONS IN A COURT.

(f) Unless otherwise provided in this Agreement or consented to in writing by all parties to the arbitration, no party to the arbitration may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. Unless consented to in writing by all parties to the arbitration, an award in arbitration shall determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and shall not (i) determine the rights, obligations, or interests of anyone other than a named party, or resolve any Claim of anyone other than a named party, or (ii) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this sub-section (f), and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this sub-section (f) shall be determined exclusively by a court and not by the administrator or any arbitrator.

(g) This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by and enforceable under the FAA. The arbitrator will apply substantive law consistent with the FAA and applicable statutes of limitations. The arbitrator may award damages or other types of relief permitted by applicable substantive law, subject to the limitations set forth in this Arbitration Provision. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court. The arbitrator shall take steps to reasonably protect confidential information.

(h) This Arbitration Provision shall survive (i) suspension, termination, revocation, closure, or amendments to this Agreement and the relationship of the parties; (ii) the bankruptcy or insolvency of any party hereto or other party; and (iii) any transfer of any loan or Common Units or any amounts owed on such loans or notes, to any other party. If any portion of this Arbitration Provision other than sub-section (e) is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and in force. If arbitration is brought on a class, representative, or collective basis, and the limitations on such proceedings in sub-section (e) are finally adjudicated pursuant to the last sentence of sub-section (e) to be unenforceable, then no arbitration shall be had. In no event shall any invalidation be deemed to authorize an arbitrator to determine Claims or make awards beyond those authorized in this Arbitration Provision.

(i) The Subscriber acknowledges, understands and agrees that: (a) arbitration is final and binding on the parties; (b) the parties are waiving their right to seek remedies in court, including the right to jury trial; (c) pre-arbitration discovery is generally more limited than and potentially different in form and scope from court proceedings; (d) the final award by the arbitrator is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of a ruling by the arbitrators is strictly limited; and (e) the panel of arbitrators may include a minority of persons engaged in the securities industry.

(j) BY AGREEING TO BE SUBJECT TO THE ARBITRATION PROVISION CONTAINED IN THIS AGREEMENT, INVESTORS WILL NOT BE DEEMED TO WAIVE THE FUND'S COMPLIANCE

WITH THE FEDERAL SECURITIES LAWS AND THE RULES AND REGULATIONS
PROMULGATED THEREUNDER.

14. Waiver of Court & Jury Rights. THE PARTIES ACKNOWLEDGE THAT THEY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT SOLELY BEFORE A JUDGE. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION RELATING TO THIS AGREEMENT, THE COMMON UNITS OR THE FUND, INCLUDING CLAIMS UNDER THE U.S. FEDERAL SECURITIES LAWS.
15. Payment of Legal Fees and Costs. In the event that the Subscriber (i) initiates or asserts any suit, legal action, claim, counterclaim or proceeding regarding, relating to or arising under this Agreement, the Common Units or the Fund, including claims under the U.S. federal securities laws (a "Claim"), and (ii) does not, in a judgment on the merits, substantially achieve, in substance and amount, the full remedy sought, then the Subscriber shall be obligated to reimburse the Fund and any parties indemnified by the Fund for any and all fees, costs and expenses of every kind and description (including, but not limited to, all reasonable attorneys' fees, the costs of investigating a claim and other litigation expenses) that the Fund and any parties indemnified by the Fund may incur in connection with such Claim.
16. Choice of Venue. Any suit, legal action or proceeding involving any dispute or matter regarding, relating or arising under this Agreement shall be brought solely (i) in the United States District Court for the Eastern District of Virginia (Alexandria division), or (ii) solely to the extent there is no applicable federal jurisdiction over such dispute or matter, in the Circuit Court for Fairfax County, Virginia. All parties hereby consent to the exercise of personal jurisdiction, and waive all objections based on improper venue and/or forum non conveniens, in connection with or in relation to any such suit, legal action or proceeding.
17. No Waiver of Fund Compliance. By agreeing to be subject to the dispute resolution provisions contained in our subscription agreement, investors will not be deemed to waive the Fund's compliance with the federal securities laws and the rules and regulations promulgated thereunder.
18. Verification of Accredited Investor Status. The Fund will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification itself. We or such independent third-party verification provider may contact you directly, and you must promptly work with the verification provider to complete the verification process. If we use third-party verification, the cost of such verification will be paid by each Subscriber.
19. Authority. By executing this Agreement, you expressly acknowledge that you have reviewed this Agreement and the PPM for this particular subscription.

[Signature page to follow]

IN WITNESS WHEREOF, the Subscriber, or its duly authorized representative(s), hereby acknowledges that it has read and understood the risk factors set forth in the PPM, and has hereby executed and delivered this Agreement, and executed and delivered herewith the Purchase Price, as of the date set forth above.

THE SUBSCRIBER:

Print Name of Subscriber

Description of Entity (if applicable)

Signature of Subscriber

Name of Person Signing on behalf of Subscriber

Title (if applicable)

Address of Subscriber:

Telephone: _____

Email: _____

Number of
Common Units
Purchased: _____

Purchase Price: _____

AGREED AND ACCEPTED BY

Fundrise Opportunity Fund, LP

By: Fundrise Advisors, LLC,
a Delaware limited liability company
Title: Manager

Name: Benjamin S. Miller
Title: Chief Executive Officer

Fundrise Opportunity Fund, LP
1601 Connecticut Ave., Suite 300
Washington, DC 20009
investments@fundrise.com
(202) 584-0550

**AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
FUNDRISE OPPORTUNITY FUND, LP**

Dated as of August 9, 2018

THE OFFERING OF PARTNERSHIP INTERESTS ISSUED PURSUANT TO THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES OR “BLUE SKY” LAWS OF ANY STATE OR OTHER JURISDICTION, AND THE PARTNERSHIP INTERESTS MAY NOT BE SOLD OR TRANSFERRED UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY OTHER APPLICABLE SECURITIES OR “BLUE SKY” LAWS, OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. SUCH PARTNERSHIP INTERESTS ARE SUBJECT TO THE RESTRICTIONS ON TRANSFER SET FORTH IN THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT.

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This **AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT OF FUNDRISE OPPORTUNITY FUND, LP** (this “**Agreement**”), is dated as of August 9, 2018, by and among Fundrise Opportunity Fund GP, LLC, a Delaware limited liability company, as the sole general partner (together with its successors and permitted assigns, the “**General Partner**”) and Fundrise Advisors LLC, as the initial limited partner (the “**Initial Limited Partner**,” and together with any limited partners subsequently admitted pursuant to the terms of this Agreement, the “**Limited Partners**”) to govern Fundrise Opportunity Fund, LP, a Delaware limited partnership (the “**Partnership**”). Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in Section 1.1 or Article XIII.

WHEREAS, the Partnership was formed upon the filing and acceptance of a Certificate of Limited Partnership with the Secretary of State of the State of Delaware on June 21, 2018;

WHEREAS, the General Partner and the Initial Limited Partner entered into a limited partnership agreement dated as of July 2, 2018, governing the business and affairs of the Partnership (“**Original Limited Partnership Agreement**”);

WHEREAS, the General Partner, the Initial Limited Partner and any Limited Partners admitted to the Partnership on the date of this Agreement wish to amend and restate such limited partnership agreement;

WHEREAS, the Initial Limited Partner is hereby withdrawing as a Limited Partner upon the admission of any such Additional Limited Partners; and

WHEREAS, the parties hereto desire to provide for the governance of the Partnership and to set forth in detail their respective rights and duties relating to the Partnership.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Certain terms used in Article XIII of this Agreement are defined in that Article. In addition, the following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

“**AAA**” has the meaning assigned to such term in Section 12.13(b).

“**Additional Limited Partner**” means a Person admitted as a Limited Partner of the Partnership as a result of an issuance of Units to such Person by the Partnership.

“**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Person in question. As used herein, the term “**Control**” means the possession, direct or

indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“**Agreement**” means this Amended and Restated Limited Partnership Agreement of Fundrise Opportunity Fund, LP, as it may be amended, modified, supplemented or restated from time to time.

“**Arbitration Provision**” has the meaning assigned to such term in Section 12.13(a).

“**Business Day**” means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the District of Columbia shall not be regarded as a Business Day.

“**Capital Contribution**” means with respect to any Limited Partner, the amount of cash and the initial gross fair market value (as determined by the General Partner in its good faith discretion) of any other property contributed or deemed contributed to the capital of the Partnership by or on behalf of such Limited Partner, reduced by the amount of any liability assumed by the Partnership relating to such property and any liability to which such property is subject.

“**Certificate of Limited Partnership**” means the Certificate of Limited Partnership of the Partnership filed with the Secretary of State of the State of Delaware as referenced in Section 2.9, as such Certificate of Limited Partnership may be amended, supplemented or restated from time to time.

“**Claim**” has the meaning assigned to such term in Section 12.13(a).

“**Code**” means the Internal Revenue Code of 1986, as amended and in effect from time to time. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of any successor law.

“**Common Units**” means any Units of the Partnership that are not Preferred Units.

“**Conflict of Interest**” means (i) any matter that the General Partner believes may involve a conflict of interest that is not otherwise addressed by the Partnership’s conflicts of interest policy, or (ii) any transaction that is deemed to be a Principal Transaction.

“**Delaware Act**” means the Delaware Revised Uniform Limited Partnership Act, as in effect from time to time.

“**DGCL**” means the Delaware General Corporation Law, 8 Del. C. Section 101, *et seq.*, as amended, supplemented or restated from time to time, and any successor to such statute.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor thereto.

“**ERISA Limited Partner**” means each Limited Partner any of the assets of which are subject to Title I of ERISA and/or Code Section 4975 or any regulations promulgated thereunder.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

“**Expenses and Liabilities**” has the meaning assigned to such term in Section 5.4(a).

“**FAA**” has the meaning assigned to such term in Section 12.13(d).

“**Fee Waiver Period**” has the meaning assigned to such term in Section 5.4(a)4.9.

“**Fundrise Platform**” means the online investment platform located at www.fundrise.com, which is owned and operated by Fundrise, LLC, an affiliate of the Sponsor.

“**General Partner**” has the meaning assigned to such term in the Recitals.

“**Governmental Entity**” means any court, administrative agency, regulatory body, commission or other governmental authority, board, bureau or instrumentality, domestic or foreign and any subdivision thereof.

“**Indemnified Person**” means (a) any Person who is or was an officer of the Partnership, if any, (b) the General Partner, together with its officers, directors, members and managers, (c) the Manager, together with its officers, directors, members and managers, (d) the Sponsor, together with its officers, directors, stockholders and Affiliates, (e) any Person who is or was serving at the request of the Partnership as an officer, director, member, manager, partner, fiduciary or trustee of another Person (including any Subsidiary); *provided*, that a Person shall not be an Indemnified Person by reason of providing, on a fee-for-services basis, trustee, fiduciary or custodial services, and (f) any Person the General Partner designates as an “Indemnified Person” for purposes of this Agreement.

“**Independent Representative**” means an independent representative appointed by the General Partner to review and approve certain transactions involving a Conflict of Interest in order to protect the interests of the Partnership and the Limited Partners.

“**Initial Limited Partner**” means Fundrise Advisors LLC.

“**Investment Company Act**” means the Investment Company Act of 1940, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

“**Investment Management Agreement**” means that certain Investment Management Agreement, dated as of the date hereof, among the Partnership, the General Partner and the Manager.

“**Limited Partner**” has the definition set forth in the Recitals.

“**Liquidator**” means one or more Persons selected by the General Partner to perform the functions described in Section 8.2 as liquidating trustee of the Partnership, as applicable, within the meaning of the Delaware Act.

“**Management Incentive Allocation**” has the meaning assigned to such term in Section 5.10(j).

“**Manager**” means Fundrise Advisors, LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Sponsor.

“**Market Price**” means, with respect to the Common Units on a particular date, \$10.00 per Common Unit until December 31, 2021. Thereafter, or earlier or later if so determined by the General Partner, the Market Price may be adjusted as determined by the General Partner in its sole discretion, but in all events will equal the greater of (i) \$10.00 per unit or (ii) the Partnership’s net asset value, or NAV, divided by the number of Common Units outstanding as determined in accordance with Section 5.12 and disclosed by the Partnership (“**NAV per Unit**”).

“**Merger Agreement**” has the meaning assigned to such term in Section 10.1.

“**NAV**” has the meaning assigned to such term in Section 5.12.

“**Offering**” has the meaning assigned to such term in Section 5.1(b).

“**Offering Document**” means, with respect to any class or series of Units, the private placement memorandum or other offering document related to the initial offering of such Units, approved by the General Partner.

“**Operating Partnership**” means Fundrise Opportunity Zone OP, LLC, a Delaware limited liability company.

“**Opinion of Counsel**” means a written opinion of counsel (who may be regular counsel to the Partnership or any of its Affiliates) acceptable to the General Partner.

“**Opportunity Zone**” has the meaning assigned to such term in Section 2.4.

“**Original Limited Partnership Agreement**” has the meaning set forth in the recitals to this Agreement.

“**Outstanding**” means, with respect to Units, all Units that are issued by the Partnership and reflected as Outstanding on the Partnership’s books and records as of the date of determination and, for purposes of Article XIII, that are treated as outstanding for U.S. federal income tax purposes.

“**Partner**” means each partner of the Partnership, including, unless the context otherwise requires, the General Partner, the other Limited Partners, each Substitute Limited Partner and each Additional Partner.

“**Partnership**” has the meaning assigned to such term in the Recitals.

“**Person**” means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, Governmental Entity or other entity; *provided, however*, that, solely for purposes of Article XIII, the term “**Person**” shall have the meaning specified in Article XIII.

“**Plan of Conversion**” has the meaning assigned to such term in Section 10.1.

“**Plan Limited Partner**” means each Limited Partner any of the assets of which are subject to any Plan Governing Law.

“**Plan Governing Law**” means any of (a) Title I of ERISA, (b) Code Section 4975 or (c) the provisions of any state, local, non-U.S. or other federal law or regulations applicable to an “employee benefit plan,” as defined in Section 3(3) of ERISA, that is not subject to Title I of ERISA (including non-U.S. employee benefit plans and government plans) that are similar to the provisions contained in Title I of ERISA and/or Code Section 4975, but only if the provisions of any such other law or regulation could reasonably be construed to provide that all or a portion of the assets of the Partnership could be deemed to constitute the assets of such employee benefit plan under such law or regulation by reason of the (direct or indirect) investment by such employee benefit plan in the Partnership.

“**Preferred Units**” means a class of Units of the Partnership that entitles the Record Holders thereof to a preference or priority over the Record Holders of any other class of Units of the Partnership in (i) the right to share profits or losses or items thereof, (ii) the right to share in distributions, or (iii) rights upon termination or liquidation of the Partnership (including in connection with the dissolution or liquidation of the Partnership). “**Preferred Units**” shall not include Common Units.

“**Principal Transaction**” means any transaction between the Sponsor, the Manager, the General Partner or any of their respective Affiliates, on the one hand, and the Partnership or one of its Subsidiaries, on the other hand.

“**Qualified Fund**” means a “qualified opportunity fund” as defined in Section 1400Z-2 of the Code.

“**Record Date**” means the date established by the General Partner, in its discretion, for determining (a) the identity of the Record Holders entitled to notice of, or to vote at, any meeting of Partners or entitled to exercise rights in respect of any lawful action of Partners or (b) the identity of Record Holders entitled to receive any report or distribution or to participate in any offer.

“**Record Holder**” or “**holder**” means with respect to any Units, the Person in whose name such Units are registered on the books of the Partnership (or on the books of any Transfer Agent, if applicable) as of the opening of business on a particular Business Day.

“**Redemption Plan**” has the meaning assigned to such term in Section 4.6.

“**REIT**” means a real estate investment trust within the meaning of Sections 856 through 860 of the Code.

“**Roll-Up Transaction**” has the meaning assigned to such term in Section 10.6(a).

“**Securities Act**” means the Securities Act of 1933, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

“**Sponsor**” means Rise Companies Corp., a Delaware corporation.

“**Subscription Agreement**” means that certain Subscription Agreement of the Partnership pursuant to which Limited Partners subscribe for and purchase Common Units of the Partnership.

“**Subsidiary**” means, with respect to any Person or the Partnership, as of any date of determination, any other Person as to which such Person or the Partnership owns or otherwise controls, directly or indirectly, more than 50% of the voting units or other similar interests or a sole general partner interest or managing member or similar interest of such Person.

“**Substitute Limited Partner**” means a Person who is admitted as a Limited Partner of the Partnership as a result of a transfer of Units to such Person.

“**Surviving Business Entity**” has the meaning assigned to such term in Section 10.2(a)(ii).

“**TCJA**” means 2017 H.R 1, known as the Tax Cuts and Jobs Act.

“**transfer**” means, with respect to a Unit, a transaction by which the Record Holder of a Unit assigns such Unit to another Person who is or becomes a Limited Partner, and includes a sale, assignment, gift, exchange or any other disposition by law or otherwise, including any transfer upon foreclosure of any pledge, encumbrance, hypothecation or mortgage; *provided, however*, that, solely for purposes of Article XIII, the term “**Transfer**” shall have the meaning specified in Article XIII.

“**Transfer Agent**” means, with respect to any class of Units, such bank, trust company or other Person (including the Partnership or one of its Affiliates) as may be appointed from time to time by the Partnership to act as registrar and transfer agent for such class of Units; *provided* that if no Transfer Agent is specifically designated for such class of Units, the Partnership shall act in such capacity.

“**Unit**” means a unit of limited partnership interest in the Partnership that may be issued by the Partnership and evidences a Partner’s rights, powers and duties with respect to the Partnership pursuant to this Agreement and the Delaware Act. Units may be Common Units or Preferred Units, and may be issued in different classes or series.

“**Unit Designation**” has the meaning assigned to such term in Section 3.2(b).

“U.S. GAAP” means United States generally accepted accounting principles consistently applied.

Section 1.2. Construction. Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa; (b) references to Articles and Sections refer to Articles and Sections of this Agreement; and (c) the term “**include**” or “**includes**” means includes, without limitation, and “**including**” means including, without limitation.

ARTICLE II

ORGANIZATION

Section 2.1. Formation. The Partnership has been formed by the filing of the certificate of limited partnership for the Partnership required under the Delaware Act, with the Delaware Secretary of State pursuant to the Delaware Act. Without the written consent or approval of any Limited Partner, the certificate of limited partnership may be restated by the General Partner as provided in the Act or amended by the General Partner to change the address of the registered office of the Partnership in Delaware or the name and address of its registered agent in Delaware or to make corrections required or permitted by the Delaware Act. All Units shall constitute personal property of the owner thereof for all purposes and a Partner has no interest in specific Partnership property. The General Partner shall deliver a copy of the certificate of limited partnership and any amendment thereto to any Limited Partner who so requests.

Section 2.2. Name. The name of the Partnership shall be “Fundrise Opportunity Fund, LP”. The business of the Partnership may be conducted under any other name or names, as determined by the General Partner. The General Partner may change the name of the Partnership at any time and from time to time and shall notify the Partners of such change in the next regular communication to the Partners.

Section 2.3. Registered Office; Registered Agent; Principal Office; Other Offices. Unless and until changed by the General Partner, the address of the registered office of the Partnership in the State of Delaware is 1521 Concord Pike #301, City of Wilmington, County of Newcastle, 19803, and the name of its registered agent at such address is United States Corporation Agents, Inc. The principal office of the Partnership shall be located at 1601 Connecticut Avenue, NW, Suite 300, Washington, D.C. 20009 or such other place as the General Partner may from time to time designate by notice to the Partners. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the General Partner determines to be necessary or appropriate.

Section 2.4. Purposes. The purposes of the Partnership shall be to (a) qualify as a “qualified opportunity fund” under the TCJA and to directly or indirectly through the Operating Partnership and/or one or more Subsidiaries, identify, source, acquire, originate, maintain, own, manage, finance, refinance, sell, hold, reposition, pledge, hypothecate, hedge, exchange and otherwise deal in and with diversified portfolio of commercial real estate properties, joint venture

equity investments, and other real-estate related assets that are compelling from a risk-return perspective, particularly with a focus on multifamily rental units and office buildings located in “qualified opportunity zones” (“**Opportunity Zones**”), as designated by the TCJA, including any asset that is deemed to be “qualified opportunity zone property” that is not real property, in accordance with the terms of this Agreement; (b) acquire, hold and dispose of interests in any corporation, partnership, joint venture, limited liability company, trust or other entity and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership with respect to its interests therein; and (c) conduct any and all activities related or incidental to the foregoing purposes. Subject to the discretion of the General Partner, the Partnership expects to conduct all of its operations through the Operating Partnership, of which the Partnership will be the General Partner.

Section 2.5. Qualification in Other Jurisdictions. The General Partner may cause the Partnership to be qualified or registered in any jurisdiction in which the Partnership transacts business and shall be authorized to execute, deliver and file any certificates and documents necessary to effect such qualification or registration.

Section 2.6. Powers. The Partnership shall be empowered to do any and all acts and things necessary and appropriate for the furtherance and accomplishment of the purposes described in Section 2.4.

Section 2.7. Power of Attorney. Each Partner hereby constitutes and appoints the General Partner and, if a Liquidator shall have been selected pursuant to Section 8.2, the Liquidator (and any successor to the Liquidator by merger, transfer, assignment, election or otherwise) and each of their authorized officers and attorneys-in-fact, as the case may be, with full power of substitution, as his true and lawful agent and attorney-in-fact, with full power and authority in his name, place and stead, to:

(a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices:

(i) all certificates, documents and other instruments (including this Agreement and the Certificate of Limited Partnership and all amendments or restatements hereof or thereof) that the General Partner (or the Liquidator) determines to be necessary or appropriate to form, qualify or continue the existence or qualification of the Partnership as a limited partnership in the State of Delaware and in all other jurisdictions in which the Partnership may conduct business or own property;

(ii) all certificates, documents and other instruments that the General Partner or the Liquidator determines to be necessary or appropriate to reflect, in accordance with its terms, any amendment, change, modification or restatement of this Agreement;

(iii) all certificates, documents and other instruments (including conveyances and a certificate of cancellation) that the General Partner (or the Liquidator) determines to be necessary or appropriate to reflect the dissolution, liquidation and/or termination of the Partnership pursuant to the terms of this Agreement;

(iv) all certificates, documents and other instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or in connection with other events described in, Section 10.6 or Article III, Article IV or Article VIII;

(v) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges of any class of Units issued pursuant to Section 3.2; and

(vi) all certificates, documents and other instruments (including agreements and a certificate of merger) relating to a merger, consolidation or conversion of the Partnership pursuant to Article X.

(b) execute, swear to, acknowledge, deliver, file and record all ballots, consents, approvals, waivers, certificates, documents and other instruments that the General Partner (or the Liquidator) determines to be necessary or appropriate to (i) make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action that is made or given by the Partners hereunder or is consistent with the terms of this Agreement or (ii) effectuate the terms or intent of this Agreement; *provided*, that when required by Section 9.2 or any other provision of this Agreement that establishes a percentage of the Partners or of the Partners of any class or series, if any, required to take any action, the General Partner (or the Liquidator) may exercise the power of attorney made in this Section 2.7(b) only after the necessary vote, consent, approval, agreement or other action of the Partners or of the Partners of such class or series, as applicable.

Nothing contained in this Section 2.7 shall be construed as authorizing the General Partner (or the Liquidator) to amend, change or modify this Agreement except in accordance with Article IX or as may be otherwise expressly provided for in this Agreement.

(c) The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and, to the maximum extent permitted by law, not be affected by the subsequent death, incompetency, disability, incapacity, dissolution, bankruptcy or termination of any Partner and the transfer of all or any portion of such Partner's Units and shall extend to such Partner's heirs, successors, assigns and personal representatives. Each such Partner hereby agrees to be bound by any representation made by the General Partner (or the Liquidator) acting in good faith pursuant to such power of attorney; and each such Partner, to the maximum extent permitted by law, hereby waives any and all defenses that may be available to contest, negate or disaffirm the action of the General Partner (or the Liquidator) taken in good faith under such power of attorney in accordance with this Section 2.7. Each Partner shall execute and deliver to the General Partner (or the Liquidator) within 15 days after receipt of the request therefor, such further designation, powers of attorney and other instruments as the General Partner (or the Liquidator) determines to be necessary or appropriate to effectuate this Agreement and the purposes of the Partnership.

Section 2.8. Term. The term of the Partnership commenced on the day on which the Certificate of Limited Partnership was filed with the Secretary of State of the State of Delaware pursuant to the provisions of the Delaware Act. The term of the Partnership shall be perpetual, unless and until it is dissolved or terminated in accordance with the provisions of Article VIII.

The existence of the Partnership as a separate legal entity shall continue until the cancellation of the Certificate of Limited Partnership as provided in the Delaware Act.

Section 2.9. Certificate of Limited Partnership. The Certificate of Limited Partnership has been filed with the Secretary of State of the State of Delaware as required by the Delaware Act, such filing being hereby confirmed, ratified and approved in all respects. The General Partner shall use all reasonable efforts to cause to be filed such other certificates or documents that it determines to be necessary or appropriate for the formation, continuation, qualification and operation of a limited liability company in the State of Delaware or any other state in which the Partnership may elect to do business or own property. To the extent that the General Partner determines such action to be necessary or appropriate, the General Partner shall direct the appropriate officers to file amendments to and restatements of the Certificate of Limited Partnership and do all things to maintain the Partnership as a limited partnership under the laws of the State of Delaware or of any other state in which the Partnership may elect to do business or own property, and any such officer so directed shall be an “authorized person” of the Partnership within the meaning of the Delaware Act for purposes of filing any such certificate with the Secretary of State of the State of Delaware. The Partnership shall not be required, before or after filing, to deliver or mail a copy of the Certificate of Limited Partnership, any qualification document or any amendment thereto to any Partner.

Section 2.10. Withdrawal of Initial Limited Partner. The Initial Limited Partner hereby withdraws from the Partnership. The General Partner consents to the withdrawal from the Partnership of the Initial Limited Partner.

ARTICLE III

LIMITED PARTNERS AND UNITS

Section 3.1. Limited Partners.

(a) A Person shall be admitted as a Limited Partner and shall become bound by the terms of this Agreement if such Person purchases or otherwise lawfully acquires any Unit and becomes the Record Holder of such Unit in accordance with the provisions of Article III, Article IV and Article XIII hereof. A Person may become a Record Holder without the consent or approval of any of the Limited Partners. A Person may not become a Limited Partner without acquiring a Unit.

(b) The name and mailing address of each Limited Partner shall be listed on the books and records of the Partnership maintained for such purpose by the Partnership (or the Transfer Agent, if any). The General Partner shall update the books and records of the Partnership from time to time as necessary to reflect accurately the information therein (or shall cause the Transfer Agent to do so, as applicable).

(c) Except as otherwise provided in the Delaware Act, the debts, obligations and liabilities of the Partnership, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Partnership, and the Limited Partners shall not be

obligated personally for any such debt, obligation or liability of the Partnership solely by reason of being a Limited Partner.

(d) Unless otherwise provided herein (including, without limitation, in connection with any redemption or repurchase pursuant to Article IV or enforcement of the transfer and ownership restrictions contained in Article XIII), Limited Partners may not be expelled from or removed as Limited Partners of the Partnership. Except in connection with any Redemption Plan established pursuant to Section 4.6, Limited Partners shall not have any right to resign from the Partnership; *provided*, that when a transferee of a Limited Partner's Units becomes a Record Holder of such Units, such transferring Limited Partner shall cease to be a Limited Partner of the Partnership with respect to the Units so transferred.

(e) Except to the extent expressly provided in this Agreement (including any Unit Designation): (i) no Limited Partner shall be entitled to the withdrawal or return of its Capital Contribution, except to the extent, if any, that distributions made pursuant to this Agreement or upon dissolution or termination of the Partnership may be considered as such by law and then only to the extent provided for in this Agreement; (ii) no Limited Partner holding any class or series, if any, of any Units of the Partnership shall have priority over any other Partner holding the same class or series of Units either as to the return of Capital Contributions or as to distributions; (iii) no interest shall be paid by the Partnership on Capital Contributions; and (iv) no Limited Partner, in its capacity as such, shall participate in the operation or management of the business of the Partnership, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership by reason of being a Limited Partner.

(f) Except as may be otherwise agreed between the Partnership, on the one hand, and a Limited Partner, on the other hand, any Limited Partner shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership. Neither the Partnership nor any of the other Limited Partners shall have any rights by virtue of this Agreement in any such business interests or activities of any Limited Partner.

Section 3.2. Authorization to Issue Units.

(a) The Partnership may issue Units, and options, rights, warrants and appreciation rights relating to Units, for any Partnership purpose at any time and from time to time to such Persons for such consideration (which may be cash, property, services or any other lawful consideration) or for no consideration and on such terms and conditions as the General Partner shall determine, all without the approval of any Limited Partners, notwithstanding any provision of Section 9.1 or Section 9.2. Notwithstanding the foregoing, the unit price for each Common Unit being offered pursuant to any Offering Document shall equal the Market Price. Each Unit shall have the rights and be governed by the provisions set forth in this Agreement and, with respect to additional Units of the Partnership that may be issued by the Partnership in one or more classes or series, with such designations, preferences, rights, powers and duties (which may be junior to, equivalent to, or senior or superior to, any existing classes or series of Units of the Partnership), as shall be fixed by the General Partner and reflected in a written action or actions approved by the General Partner in compliance with Section 5.1 (each, a "Unit

Designation”). Except to the extent expressly provided in this Agreement (including any Unit Designation), no Units shall entitle any Partner to any preemptive, preferential or similar rights with respect to the issuance of Units.

(b) A Unit Designation (or any resolution of the General Partner amending any Unit Designation) shall be effective when a duly executed original of the same is delivered to the General Partner for inclusion among the permanent records of the Partnership, and shall be annexed to, and constitute part of, this Agreement. Unless otherwise provided in the applicable Unit Designation, the General Partner may at any time increase or decrease the amount of Units of any class or series, but not below the number of Units of such class or series then Outstanding.

(c) Unless otherwise provided in the applicable Unit Designation, if any, the Partnership is authorized to issue an unlimited number of Common Units and an unlimited number of Preferred Units. All Units issued pursuant to, and in accordance with the requirements of, this Article III shall be validly issued Units in the Partnership, except to the extent otherwise provided in the Delaware Act or this Agreement (including any Unit Designation).

(d) The General Partner may, without the consent or approval of any Limited Partners, amend this Agreement and make any filings under the Delaware Act or otherwise to the extent the General Partner determines that it is necessary or desirable in order to effectuate any issuance of Units pursuant to this Article III, including, without limitation, an amendment of Section 3.2(c).

(e) As of the date of this Agreement, all Units have been designated as Common Units. As of the date of this Agreement, (i) the Initial Limited Partner held an aggregate of 400 Common Units, which the Partnership is redeeming from the Initial Limited Partner in connection with its withdrawal as a Limited Partner in accordance with Section 2.10, and (ii) the General Partner holds an aggregate of 100 Common Units.

Section 3.3. Record Holders. The Partnership shall be entitled to recognize the Record Holder as the owner of a Unit and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such Unit on the part of any other Person, regardless of whether the Partnership shall have actual or other notice thereof, except as otherwise provided by law or any applicable rule, regulation or guideline. Without limiting the foregoing, when a Person (such as a broker, dealer, bank, trust company or clearing corporation or an agent of any of the foregoing) is acting as nominee, agent or in some other representative capacity for another Person in acquiring and/or holding Units, as between the Partnership on the one hand, and such other Persons on the other, such representative Person shall be the Record Holder of such Units.

Section 3.4. Registration and Transfer of Units. Subject to the restrictions on transfer and ownership limitations contained below and in Article XIII hereof, the Units shall be freely transferable.

(a) The Partnership shall keep or cause to be kept on behalf of the Partnership a register that will provide for the registration and transfer of Units. Unless otherwise provided in any Unit Designation, a Transfer Agent may, in the discretion of the General Partner, be

appointed registrar and transfer agent for the purpose of registering Common Units and transfers of such Common Units as herein provided.; *provided*, that a transferor shall provide the address, facsimile number and email address for each such transferee as contemplated by Section 12.1.

(b) The Partnership shall not recognize any transfer of Units until it has received written documentation that is sufficient to evidence the transfer of such Units.

(c) By acceptance of the transfer of any Unit, each transferee of a Unit (including any nominee holder or an agent or representative acquiring such Units for the account of another Person) (i) shall be admitted to the Partnership as a Substitute Limited Partner with respect to the Units so transferred to such transferee when any such transfer or admission is reflected in the books and records of the Partnership, (ii) shall be deemed to agree to be bound by the terms of this Agreement, (iii) shall become the Record Holder of the Units so transferred, (iv) grants powers of attorney to the General Partner and any Liquidator of the Partnership, as specified herein, and (v) makes the consents and waivers contained in this Agreement. The transfer of any Units and the admission of any new Limited Partner shall not constitute an amendment to this Agreement.

(d) Notwithstanding the foregoing, so long as (i) Fundrise Advisors, LLC, or one of its Affiliates, remains the Manager of the Partnership, and (ii) access to the Fundrise Platform and the ability to open accounts thereon is reasonably available to potential transferees, no transfer of Units shall be valid unless the transferee has established an account on the Fundrise Platform.

Section 3.5. Splits and Combinations.

(a) Subject to Section 3.2 and Article IV, and unless otherwise provided in any Unit Designation, the Partnership may make a *pro rata* distribution of Units of any class or series of Units to all Record Holders of such class or series of Units, or may effect a subdivision or combination of Units of any class or series of Units, in each case, on an equal per-Unit basis and so long as, after any such event, any amounts calculated on a per-Unit basis or stated as a number of Units are proportionately adjusted.

(b) Whenever such a distribution, subdivision or combination of Units is declared, the General Partner shall select a Record Date as of which the distribution, subdivision or combination shall be effective and shall send notice thereof at least 20 days prior to such Record Date to each Record Holder as of a date not less than 10 days prior to the date of such notice. The General Partner also may cause a firm of independent public accountants selected by it to calculate the number of Units to be held by each Record Holder after giving effect to such distribution, subdivision or combination. The General Partner shall be entitled to rely on any certificate provided by such firm as conclusive evidence of the accuracy of such calculation.

(c) Promptly following any such distribution, subdivision or combination, the General Partner may adopt such other procedures that it determines to be necessary or appropriate to reflect such changes.

Section 3.6. ERISA. The General Partner intends to limit the equity participation by “benefit plan investors” (as defined in Section 3(42) of ERISA) in the Partnership so that it is less than twenty-five percent (25%) of each class of equity interest in the Partnership (determined in accordance with the Plan Assets Regulation, including disregarding any holdings of Sponsor Affiliates, to the extent so required).

Section 3.7. Agreements. The rights of all Limited Partners and the terms of all Units are subject to the provisions of this Agreement (including any Unit Designation).

ARTICLE IV

DISTRIBUTIONS AND REDEMPTIONS

Section 4.1. Distributions to Record Holders.

(a) Subject to the applicable provisions of the Delaware Act and except as otherwise provided herein, the General Partner may, in its sole discretion, at any time and from time to time, declare, make and pay distributions of cash or other assets of the Partnership to the Partners. Subject to the terms of any Unit Designation (including, without limitation, the preferential rights, if any, of holders of any other class of Units of the Partnership) and of Article XIII, distributions shall be paid to the holders of Common Units on an equal per-Unit basis as of the Record Date selected by the General Partner. Notwithstanding any provision to the contrary contained in this Agreement, the Partnership shall not be required to make a distribution to any Partner on account of its interest in the Partnership if such distribution would violate the Delaware Act or other applicable law.

(b) Notwithstanding Section 4.1(a), in the event of the termination and liquidation of the Partnership, all distributions shall be made in accordance with, and subject to the terms and conditions of, Section 8.3(a).

(c) Each distribution in respect of any Units of the Partnership shall be paid by the Partnership, directly or through its Transfer Agent, if any, or through any other Person or agent, only to the Record Holder of such Units as of the Record Date set for such distribution. Such payment shall constitute full payment and satisfaction of the Partnership’s liability in respect of such payment, regardless of any claim of any Person who may have an interest in such payment by reason of an assignment or otherwise. If any taxes are withheld in connection with distributions, the amount of such taxes shall be deemed distributed to the Record Holder for purposes of this Agreement.

Section 4.2. Distributions in Kind. Subject to the terms of any Unit Designation or to the preferential rights, if any, of holders of any other class of Units, the Partnership may declare and pay distributions to holders of Units that consist of (1) Common Units and/or (2) other securities or assets held by the Partnership or any of its subsidiaries.

Section 4.3. Valuations of In-Kind Distributions. In the case of distributions of Common Units, the value of the Common Units included in such distribution will be calculated based on the Market Price per Unit at the time of the distribution payment date. In the case of

distributions of other securities of the Partnership, the value of such securities included in such distribution will be determined by the General Partner in good faith.

Section 4.4. Redemption in Connection with ERISA. Notwithstanding any provision contained herein to the contrary, upon demand by the General Partner, the Partnership shall redeem any or all of the Units held by any Plan Limited Partner if either the Plan Limited Partner or the General Partner shall obtain an Opinion of Counsel to the effect that it is more likely than not that all or any portion of the assets of the Partnership constitute “plan assets” of the Plan Limited Partner for the purposes of the applicable Plan Governing Law to substantially the same extent as if owned directly by the Plan Limited Partner. Such partial or whole redemption shall be effective ninety (90) days after the delivery of such Opinion of Counsel, unless the General Partner shall have selected an earlier effective date. Each Plan Limited Partner shall only be redeemed by the Partnership pursuant to this Section 4.4 to the extent necessary in order to avoid the assets of the Partnership constituting assets of the Plan Limited Partner for the purposes of the applicable Plan Governing Law and the General Partner shall cause any such redemption to be made among all Plan Limited Partners with respect to which the basis for redemption is applicable in a manner determined by the General Partner in its sole discretion. The redemption price for any Units redeemed pursuant to this Section 4.4 will be the Market Price per Unit.

Section 4.5. Personal Conduct Repurchase Right.

(a) In the event that a Limited Partner fails to conform its personal conduct to common and accepted standards of good citizenship or conducts itself in a way that reflects poorly upon the Partnership, as determined by the General Partner in its sole, but good faith, discretion, the General Partner may elect, at its sole discretion, to cause the Partnership to repurchase all, but not less than all, of the Units held by such Limited Partner.

(b) In the event that the General Partner elects to cause the Partnership to repurchase any Units pursuant to this Section 4.5, the Partnership shall, within fifteen (15) business days of the General Partner’s election, send written notice to the applicable Limited Partner stating that the Partnership is exercising its right to repurchase such Units pursuant to Section 4.5 of this Agreement.

(c) In connection with any repurchase by the Partnership of Common Units pursuant to this Section 4.5, the purchase price paid to the applicable Limited Partner shall be equal to the Market Price per Unit. Any purchase price paid pursuant to this Section 4.5 shall be delivered to the applicable Limited Partner within 15 business days after the notice specified in Section 4.5(b) above is delivered to such Limited Partner. Any Common Units repurchased pursuant to this Section 4.5 will cease to accrue distributions or have voting rights and will not be treated as outstanding, and the applicable Limited Partner will cease to be a partner of the Partnership, as of the date that the purchase price is delivered to the applicable Limited Partner.

Section 4.6. Redemption Plan. The Manager may, in its sole discretion and to the fullest extent permitted by applicable laws and regulations, cause the Partnership to establish a redemption plan (a “**Redemption Plan**”), pursuant to which a Limited Partner may request that the Partnership redeem all or any portion of their Units, subject to the terms, conditions and restrictions of the Redemption Plan. In its sole discretion and to the fullest extent permitted by

applicable laws and regulations, the General Partner may set the terms, conditions and restrictions of any Redemption Plan and may amend, suspend, or terminate any such Redemption Plan at any time for any reason. The General Partner may also, in its sole discretion and to the fullest extent permitted by applicable laws and regulations, decline any particular redemption request made pursuant to a Redemption Plan if the General Partner believes such action is necessary to preserve the Partnership's status as a REIT.

Section 4.7. Payment of Taxes. If any person wants the Partnership to change the name of the Record Holder for a Unit or Units, that person must pay any transfer or other taxes required by reason of the change to the Partnership register, or establish, to the satisfaction of the Partnership or its agent, that the tax has been paid or is not applicable.

Section 4.8. Absence of Certain Other Rights. Other than pursuant to Section 4.6 or to the terms of any Unit Designation, holders of Common Units shall have no conversion, exchange, sinking fund, redemption or appraisal rights, no pre-emptive rights to subscribe for any securities of the Partnership and no preferential rights to distributions.

Section 4.9. Fee Waiver Support. In connection with the execution of this Agreement and the Investment Management Agreement, the Manager shall enter into that certain Fee Waiver Support Agreement that provides that, subject to the terms and conditions contained therein and for a period until June 30, 2019 (the "**Fee Waiver Period**"), the Manager shall waive its investment management fee during the Fee Waiver Period. Following the conclusion of the Fee Waiver Period, the Manager may, in its sole discretion, waive its investment management fee, in whole or in part. The Manager will forfeit any portion of the investment management fee that is waived.

ARTICLE V

MANAGEMENT AND OPERATION OF BUSINESS

Section 5.1. Power and Authority of the General Partner. Except as otherwise expressly provided in this Agreement, the power to direct the management, operation and policies of the Partnership shall be vested in the General Partner. Pursuant to the General Partner's authority to delegate any or all of its rights and powers to manage and control the business and affairs of the Partnership, the General Partner hereby delegates such rights, powers and responsibilities to the Manager, as set forth in this Agreement and in the Investment Management Agreement entered into simultaneously by and among the Partnership, the Manager and the General Partner simultaneously with the execution of this Agreement. The General Partner may revoke such delegation in whole or in part upon providing written notice to the Manager. For the avoidance of doubt, such delegation does not cause the Manager to be a "general partner" of the Partnership as such term is defined in the Delaware Act.

Except as otherwise specifically provided in this Agreement, no Limited Partner, by virtue of its status as such, shall have any management power over the business and affairs of the Partnership or actual or apparent authority to enter into, execute or deliver contracts on behalf of, or to otherwise bind, the Partnership. Except as otherwise specifically provided in this Agreement, the authority and functions of the General Partner with respect to the management of

the business of the Partnership, on the one hand, and its officers and agents, on the other hand, shall be identical to the authority and functions of the board of directors and officers, respectively, of a corporation organized under the DGCL. In addition to the powers that now or hereafter can be granted to general partners under the Delaware Act and to all other powers granted under any other provision of this Agreement, the General Partner shall have full power and authority to do, and to direct its officers and agents to do all things and on such terms as it determines to be necessary or appropriate to conduct the business of the Partnership, to exercise all powers set forth in Section 2.6 and to effectuate the purposes set forth in Section 2.4. Without in any way limiting the foregoing, the General Partner shall, either directly or by engaging its officers, Affiliates, agents or third parties, perform the following duties, all of which have been delegated to the Manager pursuant to the Investment Management Agreement:

(a) Investment Advisory, Origination and Acquisition Services.

(i) approve and oversee the Partnership's overall investment strategy, which will consist of elements such as investment selection criteria, diversification strategies and asset disposition strategies;

(ii) serve as the Partnership's investment and financial manager with respect to sourcing, underwriting, acquiring, financing, originating, servicing, investing in and managing a diversified portfolio of commercial properties and other real estate-related assets;

(iii) adopt and periodically review the Partnership's investment guidelines;

(iv) structure the terms and conditions of the Partnership's acquisitions, sales and joint ventures;

(v) enter into service contracts for the properties and other investments;

(vi) approve and oversee the Partnership's debt financing strategies;

(vii) approve joint ventures, limited partnerships and other such relationships with third parties;

(viii) approve any potential liquidity transaction;

(ix) obtain market research and economic and statistical data in connection with the Partnership's investments and investment objectives and policies;

(x) oversee and conduct due diligence processes related to prospective investments;

(xi) prepare reports regarding prospective investments that include recommendations and supporting documentation necessary for the General Partner's investment committee to evaluate the proposed investments; and

(xii) negotiate and execute approved investments and other transactions..

(b) Offering Services.

(i) the development of any offering of Units (an “**Offering**”), including the determination of the specific terms of the securities to be offered by the Partnership, preparation of all offering and related documents, and obtaining all required regulatory approvals of such documents;

(ii) the preparation and approval of all marketing materials to be used by the Partnership or others relating to an Offering;

(iii) the negotiation and coordination of the receipt, collection, processing, and acceptance of subscription agreements, commissions, and other administrative support functions;

(iv) the creation and implementation of various technology and electronic communications related to an Offering; and

(v) all other services related to an Offering.

(c) Asset Management Services.

(i) investigate, select, and, on behalf of the Partnership and the Operating Partnership, engage and conduct business with such persons as the General Partner deems necessary to the proper performance of its obligations hereunder, including but not limited to consultants, accountants, lenders, technical managers, attorneys, corporate fiduciaries, escrow agents, depositories, custodians, agents for collection, insurers, insurance agents, developers, construction companies and any and all persons acting in any other capacity deemed by the Manager necessary or desirable for the performance of any of the foregoing services;

(ii) monitor applicable markets and obtain reports (which may be prepared by the Manager or its Affiliates) where appropriate, concerning the value of the investments of the Partnership and the Operating Partnership;

(iii) monitor and evaluate the performance of the investments of the Partnership and the Operating Partnership, provide daily management services to the Partnership and the Operating Partnership, and perform and supervise the various management and operational functions related to the Partnership and the Operating Partnership’s investments;

(iv) formulate and oversee the implementation of strategies for the administration, promotion, management, operation, maintenance, improvement, financing and refinancing, marketing, leasing and disposition of investments on an overall portfolio basis; and

(v) coordinate and manage relationships between and among the Partnership, the Operating Partnership and any joint venture partners.

(d) Construction and Development Services.

- definition;
- (i) perform feasibility studies, site selection, acquisition, and program definition;
 - (ii) management of governmental entitlements, zoning, approvals, community engagement, and permits;
 - (iii) sourcing, contracting and managing of third party professional services such as environmental, geotechnical, engineering, and architectural;
 - (iv) secure and manage lender financing and coordination of ongoing lender reporting, debt covenant compliance and other requirements;
 - (v) define and manage property marketing activities, including traditional and online marketing activities to attract tenancy;
 - (vi) negotiate, approve, and enter into leases for the properties;
 - (vii) manage bid, evaluate, negotiate and reward project scope with general contractors and sub-contractors and provide final budget approval;
 - (viii) administer all construction and development contracts, including draw management, change order review and approval, and oversee budget to scope. Contractor invoice review and approval for final approval and payment. Collection and delivery to owner lien waivers and release of liens. Monitor performance and completion of all punchlist items, and project close-out; and
 - (ix) project accounting and administration, including cash management, processing and reviewing disbursements, budget to actual reporting, compiling and managing third party audit and tax procedures, review and approval.

(e) Tax and Accounting Management Services.

- (i) manage and perform the various administrative functions necessary for the day-to-day operations of the Partnership;
- (ii) provide or arrange for administrative services, legal services, office space, office furnishings, personnel and other overhead items necessary and incidental to the Partnership's business and operations;
- (iii) provide financial and operational planning services and portfolio management functions;
- (iv) maintain accounting data and any other information concerning the activities of the Partnership as shall be required to prepare and file all periodic financial reports and returns required to be filed with any regulatory agency, including annual financial statements;

- (v) maintain all appropriate books and records of the Partnership;
 - (vi) oversee tax and compliance services and risk management services and coordinate with appropriate third parties, including independent accountants and other consultants, on related tax matters;
 - (vii) make, change, and revoke such tax elections on behalf of the Partnership as the General Partner deems appropriate, including, without limitation, (i) making an election be treated as a REIT or to revoke such status, (ii) making an election to be classified as an association taxable as a corporation for U.S. federal income tax purposes and (iii) making an election to be treated as a Qualified Fund or to revoke such status;
 - (viii) supervise the performance of such ministerial and administrative functions as may be necessary in connection with the daily operations of the Partnership;
 - (ix) provide the Partnership with all necessary cash management services;
 - (x) manage and coordinate with the Transfer Agent (if any) the process of making distributions and payments to Limited Partners;
 - (xi) evaluate and obtain adequate insurance coverage based upon risk management determinations;
 - (xii) provide timely updates related to the overall regulatory environment affecting the Partnership, as well as managing compliance with regulatory matters;
 - (xiii) evaluate the corporate governance structure of the Partnership and appropriate policies and procedures related thereto; and
 - (xiv) oversee all reporting, record keeping, internal controls and similar matters in a manner to allow the Partnership to comply with applicable law.
- (f) Unitholder Services.
- (i) determine the Partnership's distribution policy and authorize distributions from time to time;
 - (ii) approve amounts available for redemptions of the Common Units;
 - (iii) manage communications with Limited Partners, including answering phone calls, preparing and sending written and electronic reports and other communications; and
 - (iv) establish technology infrastructure to assist in providing Limited Partner support and services.

(g) Financing Services.

(i) identify and evaluate potential financing and refinancing sources, engaging a third party broker if necessary;

(ii) negotiate terms of, arrange and execute financing agreements;

(iii) manage relationships between the Partnership, the Operating Partnership and their lenders, if any; and

(iv) monitor and oversee the service of the Partnership and the Operating Partnership's debt facilities and other financings, if any.

(h) Disposition Services.

(i) evaluate and approve potential asset dispositions, sales, or liquidity transactions; and

(ii) structure and negotiate the terms and conditions of transactions pursuant to which the assets of the Partnership and the Operating Partnership may be sold.

Section 5.2. Term and Removal of the General Partner.

(a) The General Partner will serve as general partner for an indefinite term, but the General Partner may be removed by the Partnership, or may choose to withdraw as general partner, under certain circumstances. In the event of the removal or withdrawal of the General Partner, the General Partner will cooperate with the Partnership and take all reasonable steps to assist in making an orderly transition of the management function.

(b) The General Partner may assign its rights under this Agreement in its entirety or delegate certain of its duties under this Agreement to any of its Affiliates, including the Manager, without the approval of the Limited Partners so long as the General Partner remains liable for any such Affiliate's performance, and if such assignment or delegation does not require the Partnership's approval under the Investment Company Act. The General Partner may withdraw as the Partnership's general partner if the Partnership becomes required to register as an investment company under the Investment Company Act, with such withdrawal deemed to occur immediately before such event. The General Partner shall determine whether any succeeding general partner possesses sufficient qualifications to perform the management function.

(c) The Limited Partners shall have the power to remove the General Partner for "cause" upon the affirmative vote or consent of the holders of two-thirds (2/3) of the then issued and Outstanding Common Units. If the General Partner is removed for "cause" pursuant to this Section 5.2(c), the Limited Partners shall have the power to elect a replacement General Partner upon the affirmative vote or consent of the holders of a majority of the then issued and Outstanding Common Units. For purposes of this Section 5.2(c), "**cause**" is defined as:

(i) the General Partner's continued breach of any material provision of this Agreement following a period of 30 days after written notice thereof (or 45 days after written notice of such breach if the General Partner, under certain circumstances, has taken steps to cure such breach within 30 days of the written notice);

(ii) the commencement of any proceeding relating to the bankruptcy or insolvency of the General Partner, including an order for relief in an involuntary bankruptcy case or the General Partner authorizing or filing a voluntary bankruptcy petition;

(iii) the General Partner committing fraud against the Partnership, misappropriating or embezzling its funds, or acting, or failing to act, in a manner constituting bad faith, willful misconduct, gross negligence or reckless disregard in the performance of its duties under this Agreement; *provided, however*, that if any of these actions is caused by an employee, personnel and/or officer of the General Partner or one of its Affiliates and the General Partner (or such Affiliate) takes all necessary and appropriate action against such person and cures the damage caused by such actions within 30 days of the General Partner's actual knowledge of its commission or omission, then the General Partner may not be removed; or

(iv) the dissolution of the General Partner.

Unsatisfactory financial performance of the Partnership does not constitute "cause" under this Agreement.

Section 5.3. Determinations by the General Partner. Except as may otherwise be required by law or delegated to the Manager pursuant to the Investment Management Agreement, the determination as to any of the following matters, made in good faith by or pursuant to the direction of the General Partner consistent with this Agreement, shall be final and conclusive and shall be binding upon the Partnership and every holder of Units: the amount of the net income of the Partnership for any period and the amount of assets at any time legally available for the payment of distributions or redemption of Units; the amount of paid-in surplus, net assets, other surplus, annual or other cash flow, funds from operations, net profit, net assets in excess of capital, undivided profits or excess of profits over losses on sales of assets; the amount, purpose, time of creation, increase or decrease, alteration or cancellation of any reserves or charges and the propriety thereof (whether or not any obligation or liability for which such reserves or charges shall have been created shall have been paid or discharged); any interpretation of the terms, preferences, conversion or other rights, voting powers or rights, restrictions, limitations as to distributions, qualifications or terms or conditions of redemption of any class or series of Units; the fair value, or any sale, bid or asked price to be applied in determining the fair value of any asset owned or held by the Partnership or of any Units; the number of Units of any class or series of the Partnership; any matter relating to the acquisition, holding and disposition of any assets by the Partnership; the evaluation of any competing interests among the Partnership and its Affiliates and the resolution of any such conflicts of interests; or any other matter relating to the business and affairs of the Partnership or required or permitted by applicable law, this Agreement or otherwise to be determined by the General Partner.

Section 5.4. Exculpation, Indemnification, Advances and Insurance.

(a) Subject to other applicable provisions of this Article V, to the fullest extent permitted by applicable law, the Indemnified Persons shall not be liable to the Partnership, any Subsidiary of the Partnership, any officer of the Partnership or a Subsidiary, or any Limited Partner or any holder of any equity interest in any Subsidiary of the Partnership, for any acts or omissions by any of the Indemnified Persons arising from the exercise of their rights or performance of their duties and obligations in connection with the Partnership, this Agreement or any investment made or held by the Partnership, including with respect to any acts or omissions made while serving at the request of the Partnership as an officer, director, member, partner, fiduciary or trustee of another Person or any employee benefit plan. The Indemnified Persons shall be indemnified by the Partnership to the fullest extent permitted by law, against all expenses and liabilities (including judgments, fines, penalties, interest, amounts paid in settlement with the approval of the Partnership and counsel fees and disbursements on a solicitor and client basis) (collectively, “**Expenses and Liabilities**”) arising from the performance of any of their duties or obligations in connection with their service to the Partnership or this Agreement, or any investment made or held by the Partnership, including in connection with any civil, criminal, administrative, investigative or other action, suit or proceeding to which any such Person may hereafter be made party by reason of being or having been a general partner of the Partnership under Delaware law, a director or officer of the Partnership or any Subsidiary of the Partnership or the General Partner, or an officer, director, member, partner, fiduciary or trustee of another Person or any employee benefit plan at the request of the Partnership. Without limitation, the foregoing indemnity shall extend to any liability of any Indemnified Person, pursuant to a loan guaranty or otherwise, for any indebtedness of the Partnership or any Subsidiary of the Partnership (including any indebtedness which the Partnership or any Subsidiary of the Partnership has assumed or taken subject to), and the General Partner (and its officers) are hereby authorized and empowered, on behalf of the Partnership, to enter into one or more indemnity agreements consistent with the provisions of this Section 5.4 in favor of any Indemnified Person having or potentially having liability for any such indebtedness. It is the intention of this Section 5.4(a) that the Partnership indemnify each Indemnified Person to the fullest extent permitted by law.

(b) The provisions of this Agreement, to the extent they restrict the duties and liabilities of an Indemnified Person otherwise existing at law or in equity, including Section 5.6, are agreed by each Limited Partner to modify such duties and liabilities of the Indemnified Person to the extent permitted by law.

(c) Any indemnification under this Section 5.4 (unless ordered by a court) shall be made by the Partnership unless the General Partner determines in the specific case that indemnification of the Indemnified Person is not proper in the circumstances because such person has not met the applicable standard of conduct set forth in Section 5.4(a). Such determination shall be made in good faith by the General Partner; provided that if the General Partner or its Affiliates is the Indemnified Person, by a majority vote of the directors of the Sponsor who are not parties to the applicable suit, action or proceeding. To the extent, however, that an Indemnified Person has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein,

such Indemnified Person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such Indemnified Person in connection therewith, notwithstanding an earlier determination by the General Partner that the Indemnified Person had not met the applicable standard of conduct set forth in Section 5.4(a).

(d) Notwithstanding any contrary determination in the specific case under Section 5.4(c), and notwithstanding the absence of any determination thereunder, any Indemnified Person may apply to the Court of Chancery of the State of Delaware or any other court of competent jurisdiction in the State of Delaware for indemnification to the extent otherwise permissible under Section 5.4(a). The basis of such indemnification by a court shall be a determination by such court that indemnification of the Indemnified Person is proper in the circumstances because such Indemnified Person has met the applicable standards of conduct set forth in Section 5.4(a). Neither a contrary determination in the specific case under Section 5.4(c) nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the Indemnified Person seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 5.4(d) shall be given to the Partnership promptly upon the filing of such application. If successful, in whole or in part, the Indemnified Person seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

(e) To the fullest extent permitted by law, expenses (including attorneys' fees) incurred by an Indemnified Person in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Partnership in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall ultimately be determined that such Indemnified Person is not entitled to be indemnified by the Partnership as authorized in this Section 5.4.

(f) The indemnification and advancement of expenses provided by or granted pursuant to this Section 5.4 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under this Agreement, or any other agreement, determination of the General Partner, vote of Limited Partners or otherwise, and shall continue as to an Indemnified Person who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnified Person unless otherwise provided in a written agreement with such Indemnified Person or in the writing pursuant to which such Indemnified Person is indemnified, it being the policy of the Partnership that indemnification of the persons specified in Section 5.4(a) shall be made to the fullest extent permitted by law. The provisions of this Section 5.4 shall not be deemed to preclude the indemnification of any person who is not specified in Section 5.4(a) but whom the Partnership has the power or obligation to indemnify under the provisions of the Delaware Act.

(g) The Partnership may, but shall not be obligated to, purchase and maintain insurance on behalf of any Person entitled to indemnification under this Section 5.4 against any liability asserted against such Person and incurred by such Person in any capacity to which they are entitled to indemnification hereunder, or arising out of such Person's status as such, whether

or not the Partnership would have the power or the obligation to indemnify such Person against such liability under the provisions of this Section 5.4.

(h) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 5.4 shall, unless otherwise provided when authorized or ratified, shall inure to the benefit of the heirs, executors and administrators of any person entitled to indemnification under this Section 5.4.

(i) The Partnership may, to the extent authorized from time to time by the General Partner, provide rights to indemnification and to the advancement of expenses to employees and agents of the Partnership and to the employees and agents of any Partnership Subsidiary or Affiliate similar to those conferred in this Section 5.4 to Indemnified Persons.

(j) If this Section 5.4 or any portion of this Section 5.4 shall be invalidated on any ground by a court of competent jurisdiction the Partnership shall nevertheless indemnify each Indemnified Person as to expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit, proceeding or investigation, whether civil, criminal or administrative, including a grand jury proceeding or action or suit brought by or in the right of the Partnership, to the full extent permitted by any applicable portion of this Section 5.4 that shall not have been invalidated.

(k) Each of the Indemnified Persons may, in the performance of his, her or its duties, consult with legal counsel and accountants, and any act or omission by such Person on behalf of the Partnership in furtherance of the interests of the Partnership in good faith in reliance upon, and in accordance with, the advice of such legal counsel or accountants will be full justification for any such act or omission, and such Person will be fully protected for such acts and omissions; *provided* that such legal counsel or accountants were selected with reasonable care by or on behalf of the Partnership.

(l) An Indemnified Person shall not be denied indemnification in whole or in part under this Section 5.4 because the Indemnified Person had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(m) Any liabilities which an Indemnified Person incurs as a result of acting on behalf of the Partnership (whether as a fiduciary or otherwise) in connection with the operation, administration or maintenance of an employee benefit plan or any related trust or funding mechanism (whether such liabilities are in the form of excise taxes assessed by the Internal Revenue Service, penalties assessed by the Department of Labor, restitutions to such a plan or trust or other funding mechanism or to a participant or beneficiary of such plan, trust or other funding mechanism, or otherwise) shall be treated as liabilities indemnifiable under this Section 5.4, to the maximum extent permitted by law.

(n) The directors and officers of the General Partner shall, in the performance of his or her duties, be fully protected in relying in good faith upon the records of the Partnership and on such information, opinions, reports or statements presented to the Partnership by any of the officers or employees of the Partnership or the General Partner or by any other Person as to

matters the director or officer of the General Partner reasonably believes are within such other Person's professional or expert competence.

(o) Any amendment, modification or repeal of this Section 5.4 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of or other rights of any Indemnified Person under this Section 5.4 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted and provided such Person became an Indemnified Person hereunder prior to such amendment, modification or repeal.

Section 5.5. Duties of the General Partner and its Officers and Directors.

(a) Except as otherwise expressly provided in this Agreement or required by the Delaware Act, (i) the duties and obligations owed to the Partnership by the General Partner and its officers and directors shall be the same as the duties and obligations owed to a corporation organized under DGCL by its officers and directors, respectively, and (ii) the duties and obligations owed to the Limited Partners by the General Partner and its officers and directors shall be the same as the duties and obligations owed to the stockholders of a corporation under the DGCL by its officers and directors, respectively.

(b) The General Partner shall have the right to exercise or delegate any of the powers granted to it by this Agreement and perform any of the duties imposed upon it thereunder either directly or by or through its duly authorized officers, and the General Partner shall not be responsible for the misconduct or negligence on the part of any such officer duly appointed or duly authorized by the General Partner in good faith.

Section 5.6. Standards of Conduct and Modification of Duties of the General Partner. Notwithstanding anything to the contrary herein or under any applicable law, the General Partner, in exercising its rights hereunder in its capacity as the general partner of the Partnership, shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall have no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting the Partnership or any Limited Partners, and shall not be subject to any other or different standards imposed by this Agreement, any other agreement contemplated hereby, under the Delaware Act or under any other applicable law or in equity. To the maximum extent permitted by applicable law, the General Partner shall not have any duty (including any fiduciary duty) to the Partnership, the Limited Partners or any other Person, including any fiduciary duty associated with self-dealing or corporate opportunities, all of which are hereby expressly waived; *provided* that this Section 5.6 shall not in any way reduce or otherwise limit the specific obligations of the General Partner expressly provided in this Agreement or in any other agreement with the Partnership and such other obligations, if any, as are required by applicable laws. Notwithstanding the foregoing, nothing contained in this Section 5.6 or elsewhere in this Agreement shall constitute a waiver by any Limited Partner of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived.

Section 5.7. Outside Activities. It shall be deemed not to be a breach of any duty (including any fiduciary duty) or any other obligation of any type whatsoever of the General Partner or its officers and directors or Affiliates of the General Partner or its officers and directors (other than any express obligation contained in any agreement to which such Person and the Partnership or any Subsidiary of the Partnership are parties) to engage in outside business interests and activities in preference to or to the exclusion of the Partnership or in direct competition with the Partnership; *provided* the General Partner or such officer, director or Affiliate does not engage in such business or activity as a result of or using confidential information provided by or on behalf of the Partnership to the General Partner or such officer, director or Affiliate. Neither the General Partner nor its officers and directors shall have any obligation hereunder or as a result of any duty expressed or implied by law to present business opportunities to the Partnership that may become available to Affiliates of the General Partner or its officers and directors.

Section 5.8. Reliance by Third Parties. Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the General Partner and any officer authorized by the General Partner to act on behalf of and in the name of the Partnership has full power and authority to encumber, sell or otherwise use in any manner any and all assets of the Partnership and to enter into any authorized contracts on behalf of the Partnership, and such Person shall be entitled to deal with the General Partner or any officer as if it were the Partnership's sole party in interest, both legally and beneficially. Each Limited Partner hereby waives, to the fullest extent permitted by law, any and all defenses or other remedies that may be available against such Person to contest, negate or disaffirm any action of the General Partner or any officer in connection with any such dealing. In no event shall any Person dealing with the General Partner or any of its officers or representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expedience of any act or action of the General Partner or any officer or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the General Partner or any officer or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (a) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect, (b) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership and (c) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

Section 5.9. Certain Conflicts of Interest. Except as may be provided herein or as otherwise addressed by the Partnership's conflicts of interest policies, the Partnership may not engage in any transaction involving a Conflict of Interest without first submitting such transaction to the Independent Representative for approval to determine whether such transaction is fair and reasonable to the Partnership and the Limited Partners; *provided, however*, that the Partnership may not purchase investments from Fundrise Lending, LLC, or its Affiliates without a determination by the Independent Representative that such transaction is fair and reasonable to the Partnership and at a price to the Partnership that is not materially greater than the cost of the asset to Fundrise Lending, LLC, or its Affiliate, as applicable. The resolution of any Conflict of Interest approved by the Independent Representative shall be conclusively deemed to be fair and reasonable to the Partnership and the Limited Partners and not a breach of any duty hereunder at

law, in equity or otherwise. Notwithstanding the above, to the extent required by applicable law, any transaction involving certain Conflicts of Interest shall be subject to review and approval by the Independent Representative.

Section 5.10. Fees and Other Compensation Payable to the Manager or Its Affiliates.

The Manager or its Affiliates shall be entitled to receive the fees and other compensation including, but not limited to, those set forth in this Section 5.10, except to the extent that equivalent fees are paid by the Operating Partnership to the Manager or its Affiliates. The Manager or its Affiliates, in their sole discretion may defer or waive any fee payable to it under this Agreement. All or any portion of any deferred fees will be deferred without interest and paid when the Manager determines.

(a) *Investment Management Fee.* Investment management fee payable quarterly in arrears equal to an annualized rate of 0.75%, which, beginning on December 31, 2021, will be based on the Partnership's NAV, as calculated pursuant to Section 5.12, and which cannot exceed an annualized rate of 1.00%. The Manager may, in its sole discretion, waive its investment management fee, in whole or in part. The Manager will forfeit any portion of the investment management fee that it waives. The amount of the investment management fee may vary from time to time, and the Partnership will publically report any changes in the investment management fee.

(b) *Acquisition/Origination Fees.* Co-investors, joint ventures or the property holding entities will pay up to 2.0% of any amounts funded by the Partnership, the Sponsor or Affiliates of the Sponsor to originate, select, diligence, and realize real estate properties or other assets in Opportunity Zones.

(c) *Construction and Development Fees.* Construction oversight and development management fee of 5% of the total development costs, excluding land. The Manager does not intend to charge such fee unless the Manager is acting as developer or co-developer of the project. The Manager may, in its sole discretion, waive its construction and development fee, in whole or in part. The Manager will forfeit any portion of the construction and development fee that it waives.

(d) *Tax and Accounting Management Fee.* Tax and accounting management fee of up to 0.45% annually of offering proceeds until December 31, 2021; thereafter, such fee will be based on the Partnership's NAV, as calculated pursuant to Section 5.12, and paid to the Manager or its affiliates.

(e) *Leasing Fee.* Leasing management fee of (i) 3.0% of the base rent for the initial term of any lease of the properties or a portion thereof and (ii) 1.0% of the base rent for the renewal term of any lease of the properties or a portion thereof. However, the Partnership does not intend to charge such leasing fee unless the Manager is performing leasing management services for the project. The Manager may, in its sole discretion, waive its leasing management fee, in whole or in part. The Manager will forfeit any portion of the leasing management fee that is waived.

(f) *Disposition/Liquidation Fees.* Disposition/liquidation fees of 1.0% of the gross sales price of each asset to the extent the Manager is acting as the real estate operator or co-operator in charge of managing the marketing and sale of the property to a third party.

(g) *Guaranty Fee.* Guaranty fee of 1.0% of the principal amount of any recourse loan greater than \$1,000,000 as to which the Manager or any of its affiliates must deliver a payment guaranty.

(h) *Management Incentive Allocation.* Upon the liquidation of the Partnership and/or sale of all the Partnership's assets, the Manager will receive a distribution from the Operating Partnership of the Management Incentive Allocation in accordance with the Amended and Restated Limited Liability Company Agreement of the Operating Partnership (the "**Management Incentive Allocation**").

Section 5.11. Reimbursement of Expenses. The Partnership shall pay or reimburse the General Partner, the Manager and their Affiliates for the following (to the extent not directly paid by the Partnership):

(a) all Formation and Offering Expenses (as defined below), without interest, incurred on behalf of the Partnership, the General Partner, the Manager and their subsidiaries before and after launch of the Partnership, but only after the Partnership has deployed \$6,000,000 into "qualified opportunity zone" investments. Reimbursement payments will be made in monthly installments, but the aggregate monthly amount reimbursed can never exceed 0.50% of the aggregate gross offering proceeds from an Offering. Any excess costs will be rolled forward to subsequent months until paid in full. "Formation and Offering Expenses" means all fees and out-of-pocket expenses incurred in connection with the formation of the Partnership and the Operating Partnership and the consummation of any offering by the Partnership or any of its subsidiaries, including, without limitation, all fees and expenses incurred in connection with the offer and sale of Common Units or units of the Operating Partnership, including, without limitation, travel, legal, accounting (and to the extent that any lawyers, accountants or other professionals who are employees or contractors of related parties perform legal, accounting or other services in connection with any of the foregoing in lieu of or in conjunction with external legal counsel, auditors or third party professional service providers, the Sponsor or the Manager are allowed to include a reasonable fee for such services; provided that the amounts charged for such employee and contractor charge-back services are reasonable in the Manager's reasonable discretion and such reimbursement corresponds only to the portion of such employees' business time spent on Partnership matters), filings, the cost of preparing the offering materials and the documentation in connection with the formation of the Fund and the Operating Partnership, and all other expenses incurred by the Fund or any related party in connection with the offer and sale of Common Units (or units of the Operating Partnership).

(b) all fees, costs and expenses related to the selection, acquisition, improvement, development, maintenance, ownership, operation, monitoring, financing, refinancing, hedging and/or sale of Partnership assets (including, without limitation, fees, costs and expenses incurred as a result of the acquisition of assets or proposed investments in future assets that are not consummated, to the extent not reimbursed by a third party, including fees, costs and expenses that would have been allocable to co-investors had such proposed transaction

or investment been consummated, if the amount allocable to such co-investors is not paid by such parties);

(c) fees and expenses for legal, audit, accounting, tax preparation, research, valuation, administration and third party consulting services (and to the extent that any lawyers, accountants or other professionals who are employees of or contracted by the Sponsor or its affiliates perform legal, accounting or other services in connection with any of the foregoing in lieu of or in conjunction with external legal counsel, auditors or third party professional service providers, the Sponsor or the Manager is allowed to receive “employee chargebacks” that include a reasonable fee for such services; provided that the amounts charged for such services are reasonable in the Manager’s reasonable discretion and such reimbursement corresponds only to the portion of such employees’ business time spent on Partnership matters);

(d) fees, costs and expenses associated with investment management and property management services (which may be payable to or reimbursed to an affiliate of the Manager), including, without limitation, (i) hiring, supervising, and termination of external property management personnel, including, but limited to, property managers, brokers and leasing agents; (ii) negotiating leases; (iii) coordinating development, redevelopment and construction, (iv) zoning and permits; (v) broken deal expenses; (vi) financial performance analysis; (vii) variance analysis; (viii) annual budgeting; (ix) cash forecasting; (x) capital expenditure plan formulation; (xi) asset valuation; and (xii) all other Partnership-specific asset and property management services specifically tailored to or associated with investments;

(e) fees, costs and expenses associated with the special servicing of non-performing assets;

(f) litigation expenses, including any expenses incurred in connection with any threatened, pending or anticipated litigation, examination or proceeding, including the amount of any settlements or judgments in connection therewith and amounts relating to the indemnification obligations under this Agreement;

(g) the charges and expenses associated with bookkeeping or the preparation and distribution of financial statements, tax returns, Form 1099s, Schedule K-1s, compliance and reporting relevant for Qualified Funds, capital call and distribution notices and reports to holders of Units (including, without limitation, any software or online data portal used in connection with such reporting);

(h) the charges and expenses of maintaining the Partnership’s and its subsidiaries’ bank accounts and of any banks, custodians or depositories appointed for the safekeeping of any funds received in connection with subscriptions before the applicable record date for such units or other property of the Partnership, including the costs of bookkeeping and accounting services;

(i) the costs and expenses relating to meetings of, or reporting to, the Manager’s investment committee, if any, incurred on the Partnership’s behalf;

(j) the costs and expenses of technology related to research and monitoring of investments, including, without limitation, market information systems and publications, research publications and materials, including, without limitation, new research and quotation equipment and services;

(k) all technology related expenses, including, without limitation, (x) any computer software or hardware, electronic equipment or purchased information technology services from third-party vendors or (y) reasonable expenses of affiliates or (z) technology service providers and related software/hardware utilized in connection with accounting, investment and operational activities;

(l) travel and entertainment expenses associated with investigating, evaluating, acquiring, making, monitoring, managing or disposing of investments incurred by any person responsible for matters related to the Partnership, including personnel of the Sponsor and its affiliates, and ordinary travel expenses for third-party legal and other service professionals in connection with services provided to the Partnership;

(m) any taxes, fees or other governmental charges levied against the Partnership or its subsidiaries and all expenses incurred in connection with any tax filing, tax audit, investigation, settlement or review of the Partnership or any of its subsidiaries;

(n) interest on and fees and expenses relating to borrowings of the Partnership and its subsidiaries;

(o) expenses related to the formation of any subsidiary or entity formed for the purpose of acquiring or holding any investment;

(p) costs of risk management services and insurance for the Partnership, its subsidiaries and their investments, including insurance to protect the Sponsor, the Manager and their affiliates in connection with the performance of activities related to us;

(q) expenses incurred in connection with any amendment to the Partnership's joint venture agreements or any similar arrangements with co-investors or soliciting any consent or approval related thereto;

(r) fees, costs and expenses incurred in connection with communications by the Partnership with investors (including, without limitation, any software or online data portal);

(s) fees, costs and expenses incurred in connection with government and regulatory filings, including, without limitation, this PPM and any supplements;

(t) fees, costs and expenses relating to defaulting joint venture partners or co-investors;

(u) expenses incurred in connection with liquidating the Partnership, any of its subsidiaries or any of the Partnership's equity investments;

(v) the costs of any third parties retained to provide services to the Partnership or any of its subsidiaries; and

(w) all other expenses not specifically provided for above that are incurred by the General Partner, the Manager (or their affiliates) in connection with operating the Partnership, any subsidiary of the Partnership organized for the purpose of holding Partnership assets, or performing the duties of the Manager as described in this Agreement or the Investment Management Agreement.

For the avoidance of doubt, the Manager will not be reimbursed for (i) office overhead of the Manager or its affiliates, (ii) compensation of the Sponsor's employees (except as otherwise provided above, including without limitation, "employee chargebacks"), or (iii) travel expenses of the Sponsor's employees that are not related to Partnership assets or other Partnership matters.

Section 5.12. Determination of Net Asset Value. At the end of such period as determined by the General Partner in its sole discretion, beginning December 31, 2021 (or earlier or later if so determined by the General Partner), the General Partner may determine to change the Partnership's NAV, in which event the General Partner may, but is not required to, engage the Sponsor's internal accountants and asset management team to calculate the Partnership's NAV per unit using a process that may reflect some or all of the following: (1) estimated value of the Partnership's interest in the Operating Partnership and any other assets held directly or indirectly by the Partnership (such values to be based on the estimated values of any underlying commercial real estate assets and investments, as determined by such asset management team, including related liabilities), (2) the price of liquid assets for which third party market quotes are available, (3) accruals of periodic distributions, (4) estimated accruals of operating revenues and expenses and (5) estimated accruals for the Management Incentive Allocation that would be due if the Partnership were to liquidate at the time of such determination. The Market Price per Unit for a given period shall be determined by dividing the Partnership's NAV at the end of the prior period by the number of Common Units Outstanding as of the end of the prior period, after giving effect to any Unit purchases, redemptions, contributions or distributions made through the end of the prior period.

The General Partner may, in its discretion, retain an independent valuation expert to provide annual valuations of the commercial real estate assets and investments, including related liabilities, to be set forth in individual appraisal reports of the underlying real estate, and to update such reports if the General Partner, in its discretion, determines that a material event has occurred that may materially affect the value of the Partnership's commercial real estate assets and investments, including related liabilities.

ARTICLE VI

BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 6.1. Records and Accounting. The General Partner shall keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the business of the Partnership, including all books and records necessary to provide to the Limited

Partners any information required to be provided pursuant to this Agreement. Any books and records maintained by or on behalf of the Partnership in the regular course of its business, including the record of the Limited Partners, books of account and records of Partnership proceedings, may be kept on, or be in the form of, computer disks, hard drives, punch cards, magnetic tape, photographs, micrographics or any other information storage device; *provided*, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership shall be maintained, for tax and financial reporting purposes, on an accrual basis in accordance with U.S. GAAP.

Section 6.2. Fiscal Year. The fiscal year of the Partnership for tax and financial reporting purposes shall be a calendar year ending December 31.

Section 6.3. Reports. The General Partner shall cause the Partnership to prepare (i) audited financial statements and deliver them to Limited Partners within 120 days after the end of each fiscal year, and (ii) supplements to an Offering Document, if the Partnership has material information that is required to be disclosed to investors.

ARTICLE VII

TAX MATTERS

Section 7.1. Qualifying and Maintaining Qualification as a REIT. The Partnership shall elect to be treated as a corporation for U.S. federal tax purposes from the date of the Partnership's formation. The Partnership, upon the determination of the General Partner, may further elect to qualify as a REIT. If such REIT election is made, then from the effective date of the Partnership's election to so qualify as a REIT until the Restriction Termination Date (as defined in Article XIII) of the Partnership, the General Partner, Manager and their officers shall take such action from time to time as the General Partner or Manager determines is necessary or appropriate in order to maintain the Partnership's qualification as a REIT; *provided, however*, if the General Partner or Manager determines that it is no longer in the best interests of the Partnership to continue to be qualified as a REIT, the General Partner or Manager may authorize the Partnership to revoke or otherwise terminate its REIT election pursuant to Section 856(g) of the Code.

Section 7.2. Qualified Opportunity Fund Matters.

(a) The Partnership intends to certify in accordance with Internal Revenue Service guidance to elect to be treated as a Qualified Fund. The Partnership, the General Partner and Manager shall take such action from time to time as the General Partner or Manager determines is necessary or appropriate in order to maintain the Partnership's qualification as a Qualified Fund; *provided, however*, if the General Partner or Manager determines that it is no longer in the best interests of the Partnership to continue to be qualified as a Qualified Fund, the General Partner or Manager may authorize the Partnership to revoke or otherwise terminate its Qualified Fund election pursuant to the Code or Internal Revenue Service guidance. It is intended that the Partnership will elect to be treated as a Qualified Fund beginning with the first taxable year of the Partnership.

(b) Any penalties assessed against the General Partner, the Partnership or any of their Affiliates for the failure by the Partnership to maintain the Qualified Fund investment standard pursuant to Section 1400Z-2(f) of the Code shall be treated as expenses required to be reimbursed by the Partnership pursuant to Section 5.11(m).

(c) The Partnership intends to provide to Limited Partners information reasonably required for those Limited Partners intending to qualify for the benefits of investing in a Qualified Fund to determine that their investment in the Partnership so qualifies; provided, however, that the Partnership shall not have any such obligations to the extent that the General Partner determines that providing such information would expose the General Partner, the Partnership or any of their Affiliates to undue administrative burden or expense.

(d) Each Limited Partner shall file its U.S. federal income and other tax returns in accordance with this Agreement, including (i) the treatment of the Partnership as a corporation and/or a REIT, as elected by the Partnership, (ii) the treatment of the Partnership as a Qualified Fund, and (iii) consistent with any tax-related information provided by the Partnership, including determinations of the fair market value of an interest in the Partnership. Each Limited Partner shall take no contrary positions regarding the forgoing, except to the extent required by applicable law.

(e) Each Limited Partner shall provide any information reasonably requested by the General Partner or Manager in connection with the Partnership's tax reporting requirements and tax-related obligations set forth in this Agreement.

ARTICLE VIII

DISSOLUTION, TERMINATION AND LIQUIDATION

Section 8.1. Dissolution and Termination.

(a) The Partnership shall not be dissolved by the admission of Substitute Limited Partners or Additional Limited Partners. The Partnership shall dissolve, and its affairs shall be wound up, upon:

(i) an election to dissolve the Partnership by the (x) General Partner or, (y) if the General Partner has been removed for "cause" pursuant to Section 5.2, an election to dissolve the Partnership by an affirmative vote of the holders of not less than a majority of the Common Units then Outstanding entitled to vote thereon;

(ii) the sale, exchange or other disposition of all or substantially all of the assets and properties of the Partnership;

(iii) the entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Delaware Act; or

(iv) at any time that there are no Limited Partners of the Partnership, unless the business of the Partnership is continued in accordance with the Delaware Act.

Section 8.2. Liquidator. Upon dissolution of the Partnership, the General Partner shall select one or more Persons to act as Liquidator.

In the case of a dissolution of the Partnership, (i) the Liquidator (if other than the General Partner) shall be entitled to receive such compensation for its services as may be separately approved, if applicable pursuant to Section 8.1(a)(i)(y), by the affirmative vote of the holders of not less than a majority of the Common Units then Outstanding entitled to vote on such liquidation; (ii) the Liquidator (if other than the General Partner) shall agree not to resign at any time without 15 days' prior notice and may be removed at any time, with or without cause, by notice of removal separately approved, if applicable pursuant to Section 8.1(a)(i)(y), by the affirmative vote of the holders of not less than a majority of the Common Units then Outstanding entitled to vote on such liquidation; (iii) upon dissolution, death, incapacity, removal or resignation of the Liquidator, a successor and substitute Liquidator (who shall have and succeed to all rights, powers and duties of the original Liquidator) shall within 30 days thereafter be separately approved, if applicable pursuant to Section 8.1(a)(i)(y), by the affirmative vote of the holders of not less than a majority of the Common Units then Outstanding entitled to vote on such liquidation. The right to approve a successor or substitute Liquidator in the manner provided herein shall be deemed to refer also to any such successor or substitute Liquidator approved in the manner herein provided. Except as expressly provided in this Article VIII, the Liquidator approved in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all of the powers conferred upon the General Partner and its officers under the terms of this Agreement (but subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers) necessary or appropriate to carry out the duties and functions of the Liquidator hereunder for and during the period of time required to complete the winding up and liquidation of the Partnership as provided for herein. In the case of a termination of the Partnership, other than in connection with a dissolution of the Partnership, the General Partner shall act as Liquidator.

Section 8.3. Liquidation of the Partnership. In connection with the liquidation of the Partnership, the Liquidator shall proceed to dispose of the Partnership's assets, discharge its liabilities, and otherwise wind up its affairs in such manner and over such period as determined by the Liquidator, subject to the Delaware Act, the terms of any Unit Designation (if any) and the following:

(a) Subject to Section 8.3(c), the assets may be disposed of by public or private sale or by distribution in kind to one or more Limited Partners on such terms as the Liquidator and such Limited Partner or Limited Partners may agree. If any property is distributed in kind, the Limited Partner receiving the property shall be deemed for purposes of Section 8.3(c) to have received cash equal to its fair market value; and contemporaneously therewith, appropriate cash distributions must be made to the other Limited Partners. Notwithstanding anything to the contrary contained in this Agreement and subject to Section 8.3(c), the Limited Partners understand and acknowledge that a Limited Partner may be compelled to accept a distribution of any asset in kind from the Partnership despite the fact that the percentage of the asset distributed to such Limited Partner exceeds the percentage of that asset which is equal to the percentage in which such Limited Partner shares in distributions from the Partnership. The Liquidator may defer liquidation or distribution of the Partnership's assets for a reasonable time if it determines that an immediate sale or distribution of all or some of the

assets would be impractical or would cause undue loss to the Limited Partners. The Liquidator may distribute the Partnership's assets, in whole or in part, in kind if it determines that a sale would be impractical or would cause undue loss to the Limited Partners.

(b) Liabilities of the Partnership include amounts owed to the Liquidator as compensation for serving in such capacity (subject to the terms of Section 8.2) and amounts to Limited Partners otherwise than in respect of their distribution rights under Article IV. With respect to any liability that is contingent, conditional or unmatured or is otherwise not yet due and payable, the Liquidator shall either settle such claim for such amount as it thinks appropriate or establish a reserve of cash or other assets to provide for its payment. When paid, any unused portion of the reserve shall be applied to other liabilities or distributed as additional liquidation proceeds.

(c) Subject to the terms of any Unit Designation (including, without limitation, the preferential rights, if any, of holders of any other class of Units of the Partnership), all property and all cash in excess of that required to discharge liabilities as provided in Section 8.3(b) shall be distributed to the holders of the Common Units of the Partnership on an equal per-Unit basis.

Section 8.4. Cancellation of Certificate of Limited Partnership. Upon the completion of the distribution of Partnership cash and property in connection the dissolution of the Partnership, the Certificate of Limited Partnership and all qualifications of the Partnership as a foreign limited liability company in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Partnership shall be taken.

Section 8.5. Return of Contributions. Neither the Sponsor, the General Partner, the Manager nor any of their officers, directors or Affiliates will be personally liable for, or have any obligation to contribute or loan any monies or property to the Partnership to enable it to effectuate, the return of the Capital Contributions of the Limited Partners, or any portion thereof, it being expressly understood that any such return shall be made solely from Partnership assets.

Section 8.6. Waiver of Partition. To the maximum extent permitted by law, each Limited Partner hereby waives any right to partition of the Partnership property.

ARTICLE IX

AMENDMENT OF AGREEMENT

Section 9.1. General. Except as provided in Section 9.2, Section 9.4, or in any Unit Designation, if any, this Agreement may be amended from time to time by the General Partner in its sole discretion; *provided, however*, that such amendment shall also require the affirmative vote or consent of the General Partner and the holders of a majority of the then issued and Outstanding Common Units if such amendment affects the Limited Partners disproportionately. If the General Partner desires to amend any provision of this Agreement in a manner that would require the vote or consent of Limited Partners, then it shall first adopt a resolution setting forth the amendment proposed, declaring its advisability, and then (i) call a special meeting of the Limited Partners entitled to vote in respect thereof for the consideration of such amendment or

(ii) seek the written consent of the Limited Partners in accordance with Section 11.6. Amendments to this Agreement may be proposed only by or with the consent of the General Partner. Such special meeting shall be called and held upon notice in accordance with Article XI of this Agreement. The notice shall set forth such amendment in full or a brief summary of the changes to be effected thereby, as the General Partner shall deem advisable. At the meeting, a vote of Limited Partners entitled to vote thereon shall be taken for and against the proposed amendment. A proposed amendment shall be effective upon its approval by the affirmative vote of the holders of not less than a majority-in-interest of the Common Units of the Partnership then Outstanding, voting together as a single class, unless a greater percentage is required under this Agreement or by Delaware law.

Section 9.2. Super-Majority Amendments. Notwithstanding Section 9.1, any alteration or amendment to this Section 9.2 or Section 5.2 that affects the Limited Partners disproportionately, will require the affirmative vote or consent of the General Partner and the holders of Outstanding Common Units of the Partnership representing at least two-thirds of the total votes that may be cast by all such Outstanding Common Units, voting together as a single class.

Section 9.3. Amendments to be Adopted Solely by the General Partner. Without in any way limiting Section 9.1, the General Partner, without the approval of any Limited Partner, may amend any provision of this Agreement, and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect the following (and any such amendment shall not be deemed to either affect the Limited Partners disproportionately or materially and adversely affect the rights of the Limited Partners):

(a) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership;

(b) the admission, substitution, withdrawal or removal of Limited Partners in accordance with this Agreement;

(c) a change that the General Partner determines to be necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership under the laws of any state or to ensure that the Partnership will continue to qualify as (i) a REIT or as a Qualified Fund for U.S. federal income tax purposes;

(d) a change that, in the sole discretion of the General Partner, it determines (i) does not adversely affect the Limited Partners (including adversely affecting the holders of any particular class or series of Units as compared to other holders of other classes or series of Units, if any classes or series are established) in any material respect, (ii) to be necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal or state agency or judicial authority or contained in any federal or state statute (including the Delaware Act), (iii) to be necessary, desirable or appropriate to facilitate the trading of the Units or comply with any rule, regulation, guideline or requirement of any National Securities Exchange on which Units may be listed for trading, compliance with any of which the General Partner deems to be in the best interests of the

Partnership and the Limited Partners, (iv) to be necessary or appropriate in connection with action taken by the General Partner pursuant to Section 3.7, or (v) is required to effect the intent expressed in any Offering Document or the intent of the provisions of this Agreement or is otherwise contemplated by this Agreement;

(e) a change in the fiscal year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the fiscal year or taxable year of the Partnership;

(f) an amendment that the General Partner determines, based on the advice of counsel, to be necessary or appropriate to prevent the Partnership, the General Partner, the Manager, the Sponsor or their officers, trustees or agents from in any manner being subjected to the provisions of the Investment Company Act, the Investment Advisers Act of 1940, as amended, or “plan asset” regulations adopted under ERISA, regardless of whether such are substantially similar to plan asset regulations currently applied or proposed by the United States Department of Labor;

(g) an amendment that the General Partner determines to be necessary or appropriate in connection with the issuance of any additional Common Units, the authorization, establishment, creation or issuance of any class or series of Units (including, without limitation, any class or series of Preferred Units issued in connection with the Partnership’s qualification as a REIT for U.S. federal income tax purposes) and the admission of Additional Limited Partners;

(h) an amendment that the General Partner determines to be necessary or appropriate to reflect and account for the formation by the Partnership of, or investment by the Partnership in, any corporation, partnership, joint venture, limited liability company or other entity, in connection with the conduct by the Partnership of activities permitted by the terms of Section 2.4;

(i) an amendment effected, necessitated or contemplated by a Merger Agreement approved in accordance with Section 10.3;

(j) a merger, conversion or conveyance pursuant to Section 10.3(d);

(k) a Roll-Up Transaction pursuant to Section 10.6 (unless Limited Partner approval is required in such situation by law or regulations); and

(l) any other amendments substantially similar to the foregoing or any other amendment expressly permitted in this Agreement to be made by the General Partner acting alone;

Section 9.4. Certain Amendment Requirements.

(a) Notwithstanding the provisions of Section 9.1 and Section 9.3, no provision of this Agreement that establishes a percentage of Outstanding Units required to take any action shall be amended, altered, changed, repealed or rescinded in any respect that would have the effect of reducing such voting percentage unless such amendment is approved by the

affirmative vote of holders of Outstanding Units whose aggregate Outstanding Units constitute not less than the voting requirement sought to be reduced.

(b) Notwithstanding the provisions of Section 9.1 and Section 9.3, but subject to Section 9.2, no amendment to this Agreement may (i) enlarge the obligations of any Limited Partner without its consent, unless such shall be deemed to have occurred as a result of an amendment approved pursuant to Section 9.3(c), (ii) change Section 8.1(a), (iii) change the term of the Partnership or, (iv) except as set forth in Section 8.1(a), give any Person the right to dissolve the Partnership.

ARTICLE X

MERGER, CONSOLIDATION OR CONVERSION

Section 10.1. Authority. The Partnership may merge or consolidate with one or more limited liability companies or “other business entities” as defined in the Delaware Act, or convert into any such entity, whether such entity is formed under the laws of the State of Delaware or any other state of the United States of America, pursuant to a written agreement of merger or consolidation (“**Merger Agreement**”) or a written plan of conversion (“**Plan of Conversion**”), as the case may be, in accordance with this Article X.

Section 10.2. Procedure for Merger, Consolidation or Conversion. A merger, consolidation or conversion of the Partnership pursuant to this Article X requires the prior approval of the General Partner.

(a) If the General Partner shall determine to consent to the merger or consolidation, the General Partner shall approve the Merger Agreement, which shall set forth:

(i) the names and jurisdictions of formation or organization of each of the business entities proposing to merge or consolidate;

(ii) the name and jurisdiction of formation or organization of the business entity that is to survive the proposed merger or consolidation (the “**Surviving Business Entity**”);

(iii) the terms and conditions of the proposed merger or consolidation;

(iv) the manner and basis of exchanging or converting the rights or securities of, or interests in, each constituent business entity for, or into, cash, property, rights, or securities of or interests in, the Surviving Business Entity; and if any rights or securities of, or interests in, any constituent business entity are not to be exchanged or converted solely for, or into, cash, property, rights, or securities of or interests in, the Surviving Business Entity, the cash, property, rights, or securities of or interests in, any limited liability company or other business entity which the holders of such rights, securities or interests are to receive, if any;

(v) a statement of any changes in the constituent documents or the adoption of new constituent documents (the certificate of formation or limited liability company agreement, articles or certificate of incorporation, articles of trust, declaration of trust, certificate

or agreement of limited partnership or other similar charter or governing document) of the Surviving Business Entity to be effected by such merger or consolidation;

(vi) the effective time of the merger or consolidation, which may be the date of the filing of the certificate of merger or consolidation pursuant to Section 10.4 or a later date specified in or determinable in accordance with the Merger Agreement (*provided*, that if the effective time of the merger or consolidation is to be later than the date of the filing of the certificate of merger or consolidation, the effective time shall be fixed no later than the time of the filing of the certificate of merger or consolidation or the time stated therein); and

(vii) such other provisions with respect to the proposed merger or consolidation that the General Partner determines to be necessary or appropriate.

(b) If the General Partner shall determine to consent to the conversion, the General Partner may approve and adopt a Plan of Conversion containing such terms and conditions that the Manager determines to be necessary or appropriate.

(c) The Limited Partners hereby acknowledge and agree that they shall have no right or opportunity to approve a merger, consolidation, conversion, sale of substantially all assets or other significant transaction involving the Partnership authorized and approved by the General Partner, unless required by applicable laws or regulations.

Section 10.3. No Dissenters' Rights of Appraisal. Limited Partners are not entitled to dissenters' rights of appraisal in the event of a merger, consolidation or conversion pursuant to this Article X, a sale of all or substantially all of the assets of all the Partnership or the Partnership's Subsidiaries, or any other similar transaction or event.

Section 10.4. Certificate of Merger or Conversion. Upon the required approval by the General Partner of a Merger Agreement or a Plan of Conversion, as the case may be, a certificate of merger or certificate of conversion, as applicable, shall be executed and filed with the Secretary of State of the State of Delaware in conformity with the requirements of the Delaware Act.

Section 10.5. Effect of Merger. At the effective time of the certificate of merger:

(a) all of the rights, privileges and powers of each of the business entities that has merged or consolidated, and all property, real, personal and mixed, and all debts due to any of those business entities shall be vested in the Surviving Business Entity and after the merger or consolidation shall be the property of the Surviving Business Entity and all other things and causes of action belonging to each of those business entities, shall be vested in the Surviving Business Entity to the extent they were of each constituent business entity.

(b) the title to any real property vested by deed or otherwise in any of those constituent business entities shall not revert and is not in any way impaired because of the merger or consolidation;

(c) all rights of creditors and all liens on or security interests in property of any of those constituent business entities shall be preserved unimpaired; and

(d) all debts, liabilities and duties of those constituent business entities shall attach to the Surviving Business Entity and may be enforced against it to the same extent as if the debts, liabilities and duties had been incurred or contracted by it.

Section 10.6. Roll-Up Transaction or Public Listing. The General Partner may at any time in its discretion cause the Partnership to:

(a) enter into a transaction or series of related transactions designed to cause all or a portion of the Partnership's assets and properties to be sold, transferred or contributed to, or convert the Partnership into, one or more alternative vehicles, through consolidation(s), merger(s) or other similar transaction(s) with other companies, some of which may be managed by the General Partner, the Manager, the Sponsor or their Affiliates (a "**Roll-Up Transaction**"); or

(b) list the Partnership's Units (or securities issued in connection with any Roll-Up Transaction vehicle) on a national securities exchange.

In connection with a Roll-Up Transaction, Limited Partners may receive from the Roll-Up Transaction vehicle cash, stock, securities or other interests or assets of such vehicle, on such terms as the General Partner deems fair and reasonable; *provided, however*, that the General Partner shall be required to obtain approval of Limited Partners holding a majority of the Outstanding Common Units if required by applicable laws or regulations. Any cash, stock, securities or other interests or assets received by the Partnership in a Roll-Up Transaction may be distributed to the Limited Partners in liquidation of their interests in the Partnership.

ARTICLE XI

LIMITED PARTNERS' VOTING POWERS AND MEETING

Section 11.1. Voting. Common Units shall entitle the Record Holders thereof to one vote per Unit on any and all matters submitted to the consent or approval of Limited Partners generally. Except as otherwise provided in this Agreement or as otherwise required by law, the affirmative vote of the holders of not less than a majority of the Common Units then Outstanding shall be required for all such other matters as the General Partner, in its sole discretion, determines shall require the approval of the holders of the Outstanding Common Units.

Section 11.2. Voting Powers. The holders of Outstanding Units shall have the power to vote only with respect to such matters, if any, as may be required by this Agreement or the requirements of applicable regulatory agencies, if any. Outstanding Units may be voted in person or by proxy. A proxy with respect to Outstanding Units, held in the name of two or more Persons, shall be valid if executed by any one of them unless at or prior to exercise of the proxy the Partnership receives a specific written notice to the contrary from any one of them. A proxy purporting to be executed by or on behalf of a Limited Partner shall be deemed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest on the challenger.

Section 11.3. Meetings. No annual or regular meeting of Limited Partners is required. Special meetings of Limited Partners may be called by the General Partner from time to time for

the purpose of taking action upon any matter requiring the vote or authority of the Limited Partners as herein provided or upon any other matter deemed by the General Partner to be necessary or desirable. Written notice of any meeting of Limited Partners shall be given or caused to be given by the General Partner in any form and at any time before the meeting as the General Partner deems appropriate. Any Limited Partner may prospectively or retroactively waive the receipt of notice of a meeting.

Section 11.4. Record Dates. For the purpose of determining the Limited Partners who are entitled to vote or act at any meeting or any adjournment thereof, or who are entitled to participate in any distribution, or for the purpose of any other action, the General Partner may from time to time close the transfer books for such period, not exceeding thirty (30) days (except at or in connection with the dissolution of the Partnership), as the General Partner may determine; or without closing the transfer books the General Partner may fix a date and time not more than ninety (90) days prior to the date of any meeting of Limited Partners or other action as the date and time of record for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action, and any Limited Partner who was a Limited Partner at the date and time so fixed shall be entitled to vote at such meeting or any adjournment thereof or to be treated as a Limited Partner of record for purposes of such other action, even though he or she has since that date and time disposed of his or her Units, and no Limited Partner becoming such after that date and time shall be so entitled to vote at such meeting or any adjournment thereof or to be treated as a Limited Partner of record for purposes of such other action.

Section 11.5. Quorum and Required Vote. The holders of a majority of the Units entitled to vote on any matter shall be a quorum for the transaction of business at a Limited Partners' meeting, but twenty-five percent (25%) shall be sufficient for adjournments. Any adjourned session or sessions may be held, within a reasonable time after the date set for the original meeting without the necessity of further notice. A majority of the Units entitled to vote on any matter voted at a meeting at which a quorum is present shall decide any matters presented at the meeting, except when a different vote is required or permitted by any express provision of this Agreement.

Section 11.6. Action by Written Consent. Any action taken by Limited Partners may be taken without a meeting if Limited Partners entitled to cast a sufficient number of votes to approve the matter as required by statute or this Agreement, as the case may be consent to the action in writing. Such written consents shall be filed with the records of the meetings of Limited Partners. Such consent shall be treated for all purposes as a vote taken at a meeting of Limited Partners and shall bind all Limited Partners and their successors or assigns.

Section 11.7. Classes and Series. The references in this Article XI to meetings, quorum, voting and actions by written consent (and any related matters) of Limited Partners shall be understood to apply separately to individual classes or series of Limited Partners where the context requires.

ARTICLE XII

GENERAL PROVISIONS

Section 12.1. Addresses and Notices. Any notice, demand, request, report or proxy materials required or permitted to be given or made to a Partner under this Agreement shall be in writing and shall be deemed given or made when delivered in person or when sent by first class United States mail, electronic mail or by other means of written communication to the Partner at the address described below. Any notice, payment or report to be given or made to a Partner hereunder shall be deemed conclusively to have been given or made, and the obligation to give such notice or report or to make such payment shall be deemed conclusively to have been fully satisfied, upon sending of such notice, payment or report to the Record Holder of such Units at his or her address (including email address) as shown on the records of the Partnership (or the Transfer Agent, if any), regardless of any claim of any Person who may have an interest in such Units by reason of any assignment or otherwise. An affidavit or certificate of making of any notice, payment or report in accordance with the provisions of this Section 12.1 executed by the Partnership, the Transfer Agent (if any) or the mailing organization shall be prima facie evidence of the giving or making of such notice, payment or report. If any notice, payment or report addressed to a Record Holder at the address of such Record Holder appearing on the books and records of the Partnership (or the Transfer Agent, if any) is returned by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver it, or is returned by the email server with a message indicating that the email server is unable to deliver the email, such notice, payment or report and any subsequent notices, payments and reports shall be deemed to have been duly given or made without further mailing or emailing (until such time as such Record Holder or another Person notifies the Partnership (or the Transfer Agent, if any) of a change in his address (including email address)) if they are available for the Partner at the principal office of the Partnership for a period of one year from the date of the giving or making of such notice, payment or report to the other Partners. Any notice to the Partnership shall be deemed given if received by the General Partner at the principal office of the Partnership designated pursuant to Section 2.3 or at the Partnership's principal email address for Partner communications, investments@fundrise.com. The General Partner and its officers may rely and shall be protected in relying on any notice or other document from a Partner or other Person if believed by it to be genuine.

Section 12.2. Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 12.3. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 12.4. Integration. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 12.5. Creditors. None of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Partnership.

Section 12.6. Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

Section 12.7. Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute an agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto or, in the case of a Person acquiring a Unit, upon the execution of the subscription documents of such Unit, and the acceptance of such subscription by the General Partner.

Section 12.8. Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware without regard to principles of conflict of laws. Each Partner (i) irrevocably submits to the non-exclusive jurisdiction and venue of any Delaware state court or U.S. federal court sitting in Wilmington, Delaware in any action arising out of this Agreement and (ii) consents to the service of process by mail. Nothing herein shall affect the right of any party to serve legal process in any manner permitted by law or affect its right to bring any action in any other court.

Section 12.9. Invalidity of Provisions. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

Section 12.10. Consent of Limited Partners. Each Limited Partner hereby expressly consents and agrees that, whenever in this Agreement it is specified that an action may be taken upon the affirmative vote or consent of less than all of the Limited Partners, such action may be so taken upon the concurrence of less than all of the Limited Partners and each Limited Partner shall be bound by the results of such action.

Section 12.11. Facsimile and Electronic Signatures. The use of facsimile or other electronic signatures affixed on documents representing Units is expressly permitted by this Agreement.

Section 12.12. Assignment. This Agreement may not be assigned within the meaning of the Investment Advisers Act of 1940, as amended, by either the Partnership or the General Partner without the prior written consent of the other party. The Partnership acknowledges and agrees that transactions that do not result in a change of actual control or management of the General Partner shall not be considered an assignment pursuant to Rule 202(a)(1)-1 under the Investment Advisers Act of 1940, as amended, and/or relevant state law.

Section 12.13. Arbitration.

(a) Any party to this Agreement may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a Claim be final and binding arbitration pursuant to this Section 12.13 (this “**Arbitration Provision**”). The arbitration shall be conducted in Washington, D.C. As used in this Arbitration Provision, “**Claim**” shall include any past, present, or future claim, dispute, or controversy involving a Limited Partner (or persons claiming through or connected with a Limited Partner), on the one hand, and Fundrise (or persons claiming through or connected with Fundrise), on the other hand, relating to or arising out of the subscription agreement, any Units, the Fundrise Platform, and/or the activities or relationships that involve, lead to, or result from any of the foregoing, including (except to the extent provided otherwise in the last sentence of sub-section (e) below) the validity or enforceability of this Arbitration Provision, any part thereof, or the entire Agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law, or principles of equity; or otherwise. Claims include (without limitation) matters arising as initial claims, counter-claims, cross-claims, third-party claims, or otherwise. This Arbitration Provision applies to claims under the U.S. federal securities laws and to all claims that are related to the Partnership, including with respect to an Offering, the Partnership’s holdings (including the holdings of any Subsidiary), the Common Units, the Partnership’s ongoing operations and the management of the Partnership’s investments, among other matters. The scope of this Arbitration Provision is to be given the broadest possible interpretation that is enforceable.

(b) The party initiating arbitration shall do so with the American Arbitration Association (the “**AAA**”) or JAMS. The arbitration shall be conducted according to, and the location of the arbitration shall be determined in accordance with, the rules and policies of the administrator selected, except to the extent the rules conflict with this Arbitration Provision or any countervailing law. In the case of a conflict between the rules and policies of the administrator and this Arbitration Provision, this Arbitration Provision shall control, subject to countervailing law, unless all parties to the arbitration consent to have the rules and policies of the administrator apply.

(c) If the Partnership elects arbitration, the Partnership shall pay all the administrator’s filing costs and administrative fees (other than hearing fees). If a Limited Partner elects arbitration, filing costs and administrative fees (other than hearing fees) shall be paid in accordance with the rules of the administrator selected, or in accordance with countervailing law if contrary to the administrator’s rules. The Partnership shall pay the administrator’s hearing fees for one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the party requesting the hearing, unless the administrator’s rules or applicable law require otherwise, or a Limited Partner requests that the Partnership pay them and the Partnership agrees to do so. Each party shall bear the expense of its own attorney’s fees, except as otherwise provided by law. If a statute gives a Limited Partner the right to recover any of these fees, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein.

(d) Within 30 days of a final award by the arbitrator, a party may appeal the award for reconsideration by a three-arbitrator panel selected according to the rules of the arbitrator administrator. In the event of such an appeal, an opposing party may cross-appeal within 30 days after notice of the appeal. The panel will reconsider de novo all aspects of the initial award that are appealed. Costs and conduct of any appeal shall be governed by this

Arbitration Provision and the administrator's rules, in the same way as the initial arbitration proceeding. Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act (the "FAA"), and may be entered as a judgment in any court of competent jurisdiction.

(e) The Partnership agrees not to invoke the right to arbitrate an individual Claim that a Limited Partner may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE, OR COLLECTIVE BASIS (INCLUDING AS PRIVATE ATTORNEY GENERAL ON BEHALF OF OTHERS), EVEN IF THE CLAIM OR CLAIMS THAT ARE THE SUBJECT OF THE ARBITRATION HAD PREVIOUSLY BEEN ASSERTED (OR COULD HAVE BEEN ASSERTED) IN A COURT AS CLASS REPRESENTATIVE, OR COLLECTIVE ACTIONS IN A COURT.

(f) Unless otherwise provided in this Agreement or consented to in writing by all parties to the arbitration, no party to the arbitration may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. Unless consented to in writing by all parties to the arbitration, an award in arbitration shall determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and shall not (i) determine the rights, obligations, or interests of anyone other than a named party, or resolve any Claim of anyone other than a named party, or (ii) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this sub-section (f), and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this sub-section (f) shall be determined exclusively by a court and not by the administrator or any arbitrator.

(g) This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by and enforceable under the FAA. The arbitrator will apply substantive law consistent with the FAA and applicable statutes of limitations. The arbitrator may award damages or other types of relief permitted by applicable substantive law, subject to the limitations set forth in this Arbitration Provision. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court. The arbitrator shall take steps to reasonably protect confidential information.

(h) This Arbitration Provision shall survive (i) suspension, termination, revocation, closure, or amendments to this Agreement and the relationship of the parties; (ii) the bankruptcy or insolvency of any party hereto or other party; and (iii) any transfer of any loan or Common Units or any amounts owed on such loans or notes, to any other party. If any portion of this Arbitration Provision other than sub-section (e) is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and in force. If arbitration is brought on a class, representative, or collective basis, and the limitations on such proceedings in sub-section (e) are finally adjudicated pursuant to the last sentence of sub-section (e) to be unenforceable, then no arbitration shall be had. In no event shall any invalidation be

deemed to authorize an arbitrator to determine Claims or make awards beyond those authorized in this Arbitration Provision.

(i) Each Limited Partner acknowledges, understands and agrees that: (a) arbitration is final and binding on the parties; (b) the parties are waiving their right to seek remedies in court, including the right to jury trial; (c) pre-arbitration discovery is generally more limited than and potentially different in form and scope from court proceedings; (d) the final award by the arbitrator is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of a ruling by the arbitrators is strictly limited; and (e) the panel of arbitrators may include a minority of persons engaged in the securities industry.

(j) BY AGREEING TO BE SUBJECT TO THE ARBITRATION PROVISION CONTAINED IN THIS AGREEMENT, LIMITED PARTNERS WILL NOT BE DEEMED TO WAIVE THE PARTNERSHIP'S COMPLIANCE WITH THE FEDERAL SECURITIES LAWS AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER.

Section 12.14. Waiver of Court & Jury Rights. THE PARTIES ACKNOWLEDGE THAT THEY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT SOLELY BEFORE A JUDGE. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION RELATING TO THIS AGREEMENT, THE COMMON UNITS OR THE PARTNERSHIP, INCLUDING CLAIMS UNDER THE U.S. FEDERAL SECURITIES LAWS.

Section 12.15. Payment of Legal Fees and Costs. In the event that a Limited Partner (i) initiates or asserts any suit, legal action, claim, counterclaim or proceeding regarding, relating to or arising under this Agreement, the Common Units or the Partnership, including claims under the U.S. federal securities laws, and (ii) does not, in a judgment on the merits, substantially achieve, in substance and amount, the full remedy sought, then the Limited Partner shall be obligated to reimburse the Partnership and any parties indemnified by the Partnership for any and all fees, costs and expenses of every kind and description (including, but not limited to, all reasonable attorneys' fees, the costs of investigating a claim and other litigation expenses) that the Partnership and any parties indemnified by the Partnership may incur in connection with such Claim.

Section 12.16. Choice of Venue. Any suit, legal action or proceeding involving any dispute or matter regarding, relating or arising under this Agreement shall be brought solely (i) in the United States District Court for the Eastern District of Virginia (Alexandria division), or (ii) solely to the extent there is no applicable federal jurisdiction over such dispute or matter, in the Circuit Court for Fairfax County, Virginia. All parties hereby consent to the exercise of personal jurisdiction, and waive all objections based on improper venue and/or forum non conveniens, in connection with or in relation to any such suit, legal action or proceeding.

Section 12.17. Verification of Accredited Investor Status. The Partnership will either engage an independent third-party verification provider to perform such verifications or undertake to perform such verification itself. The Partnership or such independent third-party verification provider may contact a Limited Partner directly, and such Limited Partner must

promptly work with the verification provider to complete the verification process. If the Partnership uses third-party verification, the cost of such verification will be paid by each Limited Partner.

ARTICLE XIII

RESTRICTIONS ON TRANSFER AND OWNERSHIP OF UNITS

Section 13.1. Definitions. For the purpose of this Article XIII, the following terms shall have the following meanings:

“**Aggregate Ownership Limit**” shall mean not more than 9.8 percent (in value or in number of Units, whichever is more restrictive) of the aggregate of the Outstanding Units, or such other percentage determined by the General Partner in accordance with Section 13.9.

“**Beneficial Ownership**” shall mean ownership of Units by a Person, whether the interest in the Units is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Sections 856(h)(1) and/or 544 of the Code, as modified by Sections 856(h)(1)(B) and 856(h)(3) of the Code, *provided, however*, that in determining the number of Units Beneficially Owned by a Person, no Unit shall be counted more than once. Whenever a Person Beneficially Owns Units that are not actually outstanding (e.g., Units issuable upon the exercise of an option or the conversion of a convertible security) (“**Option Units**”), then, whenever this Agreement requires a determination of the percentage of Outstanding Units Beneficially Owned by such Person, the Option Units Beneficially Owned by such Person shall also be deemed to be Outstanding. The terms “**Beneficial Owner**”, “**Beneficially Owns**” and “**Beneficially Owned**” shall have the correlative meanings.

“**Charitable Beneficiary**” shall initially mean the American Red Cross until such time as the Partnership designates one or more other beneficiaries of the Trust as determined pursuant to Section 13.11(f); *provided* that each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code.

“**Common Unit Ownership Limit**” shall mean not more than 9.8 percent (in value or in number of Units, whichever is more restrictive) of the aggregate of the Outstanding Common Units, or such other percentage determined by the General Partner in accordance with Section 13.9.

“**Constructive Ownership**” shall mean ownership of Units by a Person, whether the interest in the Units is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms “**Constructive Owner**”, “**Constructively Owns**” and “**Constructively Owned**” shall have the correlative meanings.

“**Excepted Holder**” shall mean a Person for whom an Excepted Holder Limit is created by this Agreement or by the General Partner pursuant to Section 13.8.

“**Excepted Holder Limit**” shall mean, provided that the affected Excepted Holder agrees to comply with any requirements established by the General Partner pursuant to Section 13.8 and subject to adjustment pursuant to Section 13.8, the percentage limit established by the General Partner pursuant to Section 13.8.

“**Initial Date**” shall mean the date of the closing of the Initial Offering of the Partnership.

“**Initial Offering**” shall mean the first issuance and sale for cash of Common Units of the Partnership to any Person other than an Affiliate of the Partnership pursuant to a private offering qualified, as applicable, in accordance with Rule 144A, Regulation D or Regulation S of the Securities Act.

“**Non-Transfer Event**” shall mean any event or other changes in circumstances other than a purported Transfer, including, without limitation, any change in the value of any Units.

“**One Hundred Unitholders Date**” means the first day on which Units are beneficially owned by 100 or more Persons within the meaning of Section 856(a)(5) of the Code.

“**Ownership Limits**” means the Aggregate Unit Ownership Limit and the Common Unit Ownership Limit.

“**Person**” shall mean, solely for the purposes of this Article XIII, an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Sections 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity and also includes a group as that term is used for purposes of Section 13(d)(3) of the Exchange Act and a group to which an Excepted Holder Limit applies.

“**Prohibited Owner**” shall mean with respect to any purported Transfer or Non-Transfer Event, any Person who, but for the provisions of Section 13.2, would Beneficially Own or Constructively Own Units and, if appropriate in the context, shall also mean any Person who would have been the Record Holder of the Units that the Prohibited Owner would have so owned.

“**Restriction Termination Date**” means the first day after the Initial Date on which the General Partner determines in accordance with Section 7.1 that it is not or is no longer in the best interests of the Partnership to qualify as a REIT or that compliance with any of the restriction and limitations on Beneficial Ownership, Constructive Ownership and Transfers of Units set forth in this Article XIII is no longer required in order for the Partnership to qualify as a REIT.

“**Transfer**” shall mean any issuance, sale, transfer, gift, assignment, devise or other disposition, as well as any other event that causes any Person to acquire or change its Beneficial Ownership or Constructive Ownership of Units or the right to vote or receive distributions on Units, or any agreement to take any such actions or cause any such events, including (a) the granting or exercise of any option (or any disposition of any option) or entering into any agreement for the sale, transfer or other disposition of Units (or of Beneficial Ownership or

Constructive Ownership of Units), (b) any disposition of any securities or rights convertible into or exchangeable for Units or any interest in Units or any exercise of any such conversion or exchange right and (c) Transfers of interests in other entities that result in changes in Beneficial Ownership or Constructive Ownership of Units; in each case, whether voluntary or involuntary, whether owned of record, Constructively Owned or Beneficially Owned and whether by operation of law or otherwise. The terms “**Transferring**” and “**Transferred**” shall have the correlative meanings.

“**Trust**” shall mean any trust provided for in Section 13.11(a).

“**Trustee**” shall mean the Person that is unaffiliated with the Partnership or any Prohibited Owner, that is a “United States person” within the meaning of Section 7701(a)(30) of the Code and is appointed by the Partnership to serve as trustee of the Trust.

Section 13.2. Ownership Limitations. The provisions of this Article XIII shall be applicable as if the Partnership was a REIT, even if the General Partner has not elected to have the Partnership qualify as a REIT, and shall remain in full force and effect until prior to the Restriction Termination Date:

(a) Basic Restrictions.

(i) (1) No Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own Units in excess of the Aggregate Ownership Limit, (2) no Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own Common Units in excess of the Common Unit Ownership Limit and (3) no Excepted Holder shall Beneficially Own or Constructively Own Units in excess of the Excepted Holder Limit for such Excepted Holder.

(ii) (1) No Person shall Beneficially Own or Constructively Own Units to the extent that such Beneficial Ownership or Constructive Ownership of Units would result in the Partnership being “closely held” within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year, unless otherwise allowed under Section 13.8(e)), and (2) no Person shall Beneficially Own or Constructively Own Units to the extent that such Beneficial Ownership or Constructive Ownership of Units would result in the Partnership otherwise failing to qualify as a REIT (including, but not limited to, Beneficial Ownership or Constructive Ownership that (A) would result in the Partnership owning (actually or Constructively) an interest in a tenant that is described in Section 856(d)(2)(B) of the Code or (B) would cause any income of the Partnership that would otherwise qualify as “rents from real property” for purposes of Section 856(d) of the Code to fail to qualify as such (including, but not limited to, as a result of causing any entity that the Partnership intends to treat as an “eligible independent contractor” within the meaning of Section 856(d)(9)(A) of the Code to fail to qualify as such), in either case causing the Partnership to fail to satisfy any of the gross income requirements of Section 856(c) of the Code).

(iii) During the period commencing on the One Hundred Unitholders Date, any Transfer of Units that, if effective, would result in the Units being beneficially owned

by fewer than 100 Persons (determined under the principles of Section 856(a)(5) of the Code) shall be void *ab initio*, and the intended transferee shall acquire no rights in such Units .

(b) Transfer in Trust. If any Transfer of Units or Non-Transfer Event occurs which, if effective, would result in any Person Beneficially Owning or Constructively Owning Units in violation of Section 13.2(a)(i) or (ii).

(i) then that number of Units the Beneficial Ownership or Constructive Ownership of which otherwise would cause such Person to violate Section 13.2(a)(i) or (ii) (rounded up to the nearest whole unit) shall be automatically transferred to a Trust for the benefit of a Charitable Beneficiary, as described in Section 13.11, effective as of the close of business on the Business Day prior to the date of such Transfer or Non-Transfer Event, and such Person (or, if different, the direct or beneficial owner of such Units) shall acquire no rights in such Units (and shall be divested of its rights in such Units); or

(ii) if the transfer to the Trust described in clause (i) of this sentence would not be effective for any reason to prevent the violation of Section 13.2(a)(i) or (ii), then the Transfer of that number of Units that otherwise would cause any Person to violate Section 13.2(a)(i) or (ii) shall be void *ab initio*, and the intended transferee shall acquire no rights in such Units .

Section 13.3. Remedies for Breach. If the General Partner shall at any time determine in good faith that a Transfer or Non-Transfer Event has taken place that results in a violation of Section 13.2 or that a Person intends to acquire or has attempted to acquire Beneficial Ownership or Constructive Ownership of any Units in violation of Section 13.2 (whether or not such violation is intended), the General Partner shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or Non-Transfer Event or otherwise prevent such violation, including, without limitation, causing the Partnership to redeem units, refusing to give effect to such Transfer or Non-Transfer Event on the books of the Partnership or instituting proceedings to enjoin such Transfer or Non-Transfer Event; *provided, however*, that any Transfer or attempted Transfer or other event in violation of Section 13.2 (or Non-Transfer Event that results in a violation of Section 13.2) shall automatically result in the transfer to the Trust described above, and, where applicable, such Transfer (or Non-Transfer Event) shall be void *ab initio* as provided above irrespective of any action (or non-action) by the General Partner. Nothing herein shall limit the ability of the General Partner to grant a waiver as may be permitted under Section 13.8.

Section 13.4. Notice of Restricted Transfer. Any Person who acquires or attempts or intends to acquire Beneficial Ownership or Constructive Ownership of Units that will or may violate Section 13.2(a) or any Person who would have owned Units that resulted in a transfer to the Trust pursuant to the provisions of Section 13.2(b) shall immediately give written notice to the Partnership of such event or, in the case of such a proposed or attempted transaction, give at least 15 days prior written notice, and shall provide to the Partnership such other information as the Partnership may request in order to determine the effect, if any, of such Transfer or Non-Transfer Event on the Partnership's qualification as a REIT.

Section 13.5. Owners Required To Provide Information. From the Initial Date and prior to the Restriction Termination Date:

(a) every owner of five percent or more (or such lower percentage as required by the Code or the U.S. Treasury Department regulations promulgated thereunder) of the Outstanding Units, within 30 days after the end of each taxable year, shall give written notice to the Partnership stating the name and address of such owner, the number of Units of each class and series Beneficially Owned and a description of the manner in which such Units are held. Each such owner shall promptly provide to the Partnership in writing such additional information as the Partnership may request in order to determine the effect, if any, of such Beneficial Ownership on the Partnership's qualification as a REIT and to ensure compliance with the Ownership Limits; and

(b) each Person who is a Beneficial Owner or Constructive Owner of Units and each Person (including the Limited Partner of record) who is holding Units for a Beneficial Owner or Constructive Owner shall promptly provide to the Partnership in writing such information as the Partnership may request, in good faith, in order to determine the Partnership's qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance.

Section 13.6. Remedies Not Limited. Subject to Section 7.1, nothing contained in this Article XIII shall limit the authority of the General Partner to take such other action as it deems necessary or advisable to protect the Partnership and the interests of the Limited Partners in preserving the Partnership's qualification as a REIT.

Section 13.7. Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Article XIII, the General Partner shall have the power to determine the application of the provisions of this Article XIII with respect to any situation based on the facts known to it. In the event Article XIII requires an action by the General Partner and this Agreement fails to provide specific guidance with respect to such action, the General Partner shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of this Article XIII. Absent a decision to the contrary by the General Partner (which the General Partner may make in its sole and absolute discretion), if a Person would have (but for the remedies set forth in Section 13.3) acquired or retained Beneficial Ownership or Constructive Ownership of Units in violation of Section 13.2, such remedies (as applicable) shall apply first to the Units which, but for such remedies, would have been Beneficially Owned or Constructively Owned (but not actually owned) by such Person, pro rata among the Persons who actually own such Units based upon the relative number of the Units held by each such Person.

Section 13.8. Exceptions.

(a) Subject to Section 13.2(a)(ii), the General Partner, in its sole discretion, may exempt (prospectively or retroactively) a Person from the Aggregate Ownership Limit and/or the Common Unit Ownership Limit, as the case may be, and may establish or increase an Excepted Holder Limit for such Person if the General Partner determines, based on such representations and undertakings as it may require, that:

(i) subject to Section 13.8(e), such exemption will not cause the Beneficial Ownership or Constructive Ownership of Units of the Partnership of any individual (as defined in Section 542(a)(2) of the Code as modified by Section 856(h)(3) of the Code) to violate Section 13.2(a)(ii); and

(ii) such Person does not and will not Constructively own an interest in a tenant (or a tenant of any entity owned or controlled by the Partnership) that would cause the Partnership to own, actually or Constructively, more than a 9.9% interest (as set forth in Section 856(d)(2)(B) of the Code) in such tenant (for this purpose, a tenant from whom the Partnership (or an entity owned or controlled by the Partnership) derives (and is expected to continue to derive) a sufficiently small amount of revenue such that, in the opinion of the General Partner, rent from such tenant would not adversely affect the Partnership's ability to qualify as a REIT shall not be treated as a tenant of the Partnership).

(b) Prior to granting any exception pursuant to Section 13.8(a), the General Partner may require a ruling from the Internal Revenue Service, or an Opinion of Counsel, in either case in form and substance satisfactory to the General Partner in its sole discretion, as it may deem necessary or advisable in order to determine or ensure the Partnership's qualification as a REIT. Notwithstanding the receipt of any ruling or opinion, the General Partner may impose such conditions or restrictions as it deems appropriate in connection with granting such exception or waiver or creating any Excepted Holder Limit.

(c) Subject to Section 13.2(a)(ii), an underwriter which participates in a public offering or a private placement of Units (or securities convertible into or exchangeable for Units) may Beneficially Own or Constructively Own Units (or securities convertible into or exchangeable for Units) in excess of the Aggregate Ownership Limit, the Common Unit Ownership Limit, or both such limits, but only to the extent necessary to facilitate such public offering or private placement.

(d) The General Partner may only reduce the Excepted Holder Limit for an Excepted Holder:

(i) with the written consent of such Excepted Holder at any time, or

(ii) pursuant to the terms and conditions of the agreements and undertakings entered into with such Excepted Holder in connection with the establishment of the Excepted Holder Limit for that Excepted Holder. No Excepted Holder Limit shall be reduced to a percentage that is less than the Common Unit Ownership Limit or Aggregate Ownership Limit, as applicable.

(e) Subject to Section 13.2(a)(ii)(2), the General Partner, in its sole discretion, may exempt an Excepted Holder from the limitations in Section 13.2(a)(ii)(1) and Section 13.2(a)(i) on Beneficial Ownership and/or Constructive Ownership of Units that would result in the Partnership being "closely held" within the meaning of Section 856(h) of the Code (determined without regard to whether the ownership interest is held during the last half of a taxable year), but only during the first taxable year of the Partnership for which the Partnership elects to be a REIT under Section 856(c)(1) of the Code and/or during the first half of the

Partnership's second taxable year for which the Partnership elects to be treated as a REIT under Section 856(c)(1) of the Code and only to the extent that such Beneficial Ownership and/or Constructive Ownership for such periods does not result in the Partnership failing to qualify as a REIT.

Section 13.9. Increase or Decrease in Aggregate Ownership and Common Unit Ownership Limits.

(a) Subject to Section 13.2(a)(ii), the General Partner may from time to time increase or decrease the Common Unit Ownership Limit and the Aggregate Ownership Limit; *provided, however*, that any decreased Common Unit Ownership Limit and/or Aggregate Ownership Limit will not be effective for any Person whose percentage ownership in Common Units or Units is in excess of such decreased Common Unit Ownership Limit and/or Aggregate Ownership Limit until such time as such Person's percentage of Common Units or Units equals or falls below the decreased Common Unit Ownership Limit and/or Aggregate Ownership Limit, but any further acquisition of Common Units or Units in excess of such percentage ownership of Common Units or Units will be in violation of the Common Unit Ownership Limit and/or Aggregate Ownership Limit; and *provided further*, that any increased or decreased Common Unit Ownership Limit and/or Aggregate Ownership Limit would not allow five or fewer Persons to Beneficially Own more than 49.9% in value of the Outstanding Units .

(b) Prior to increasing or decreasing the Common Unit Ownership Limit or the Aggregate Ownership Limit pursuant to Section 13.9(a), the General Partner may require such opinions of counsel, affidavits, undertakings or agreements, in any case in form and substance satisfactory to the General Partner in its sole discretion, as it may deem necessary or advisable in order to determine or ensure the Partnership's qualification as a REIT.

Section 13.10. Legend. Each certificate for Units , if certificated, or any written statement of information in lieu of a certificate delivered to a holder of uncertificated Units shall bear substantially the following legend:

“The units represented by this certificate are subject to restrictions on Beneficial Ownership and Constructive Ownership and Transfer for the purpose, among others, of the Partnership's maintenance of its qualification as a real estate investment trust (“**REIT**”) under the Internal Revenue Code of 1986, as amended (the “**Code**”). Subject to certain further restrictions and except as expressly provided in the Amended and Restated Limited Partnership Agreement of Fundrise Opportunity Fund, LP, as may be amended from time to time (the “**Operating Agreement**”), (i) no Person may Beneficially Own or Constructively Own Common Units in excess of 9.8 percent (in value or number of units, whichever is more restrictive) of the Outstanding Common Units , unless such Person is exempt from such limitation or is an Excepted Holder (in which case the Excepted Holder Limit shall be applicable); (ii) no Person may Beneficially Own or Constructively Own Units in excess of 9.8 percent (in value or number of units, whichever is more restrictive) of the Outstanding Units , unless such Person is exempt from such limitation or is an Excepted Holder (in which case the Excepted Holder Limit shall be applicable); (iii) no Person may Beneficially Own or Constructively Own Units that would result in the Partnership being “closely held” under

Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year), or otherwise cause the Partnership to fail to qualify as a REIT; and (iv) any Transfer of Units that, if effective, would result in the Units being beneficially owned by less than 100 Persons (as determined under the principles of Section 856(a)(5) of the Code) shall be void *ab initio*, and the intended transferee shall acquire no rights in such Units.

Any Person who Beneficially Owns or Constructively Owns or attempts to Beneficially Own or Constructively Own Units which causes or will cause a Person to Beneficially Own or Constructively Own Units in excess or in violation of the above limitations must immediately notify the Partnership and Transfer Agent (if any) or, in the case of such a proposed or attempted transaction, give at least 15 days prior written notice. If any of the restrictions on transfer or ownership as set forth in (i) through (iii) above are violated, the Units in excess or in violation of the above limitations will be automatically transferred to a Trustee of a Trust for the benefit of one or more Charitable Beneficiaries. In addition, the Partnership may redeem Units upon the terms and conditions specified by the General Partner in its sole discretion if the General Partner determines that ownership or a Transfer or other event may violate the restrictions described above. Furthermore, upon the occurrence of certain events, attempted Transfers in violation of the restrictions described in (i) through (iii) above may be void *ab initio*. All capitalized terms in this legend have the meanings defined in the Operating Agreement, a copy of which, including the restrictions on transfer and ownership, will be furnished to each holder of Units on request and without charge. Requests for such a copy may be directed to the General Partner at the Partnership's principal office."

Instead of the foregoing legend, the certificate or written statement of information delivered in lieu of a certificate, if any, may state that the Partnership will furnish a full statement about certain restrictions on transferability to a Limited Partner on request and without charge.

Section 13.11. Transfer of Units in Trust.

(a) Ownership in Trust. Upon any purported Transfer or other event described in Section 13.2(b) that would result in a transfer of Units to a Trust, such Units shall be deemed to have been transferred to the Trustee as trustee of a Trust for the exclusive benefit of one or more Charitable Beneficiaries. Such transfer to the Trustee shall be effective as of the close of business on the Business Day prior to the purported Transfer or other event that results in the transfer to the Trust pursuant to Section 13.2(b). The Trustee shall be appointed by the Partnership and shall be a Person unaffiliated with the Partnership and any Prohibited Owner. Each Charitable Beneficiary shall be designated by the Partnership as provided in Section 13.11(f).

(b) Status of Units Held by the Trustee. Units held by the Trustee shall be issued and Outstanding Units. The Prohibited Owner shall have no rights in the units held by the Trustee. The Prohibited Owner shall not benefit economically from ownership of any Units held in trust by the Trustee, shall have no rights to distributions and shall not possess any rights to vote or other rights attributable to the Units held in the Trust.

(c) Distribution and Voting Rights. The Trustee shall have all voting rights and rights to distributions with respect to Units held in the Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary. Any distribution paid prior to the discovery by the Partnership that the Units have been transferred to the Trustee shall be paid by the recipient of such distribution to the Trustee upon demand and any distribution authorized but unpaid shall be paid when due to the Trustee. Any distribution so paid to the Trustee shall be held in trust for the Charitable Beneficiary. The Prohibited Owner shall have no voting rights with respect to Units held in the Trust and, subject to Delaware law, effective as of the date that the Units have been transferred to the Trust, the Trustee shall have the authority (at the Trustee's sole discretion) (i) to rescind as void any vote cast by a Prohibited Owner prior to the discovery by the Partnership that the Units have been transferred to the Trustee and (ii) to recast such vote in accordance with the desires of the Trustee acting for the benefit of the Charitable Beneficiary; *provided, however*, that if the Partnership has already taken irreversible limited liability company action, then the Trustee shall not have the authority to rescind and recast such vote. Notwithstanding the provisions of this Article XIII, until the Partnership has received notification that Units have been transferred into a Trust, the Partnership shall be entitled to rely on its unit transfer and other Limited Partner records for purposes of preparing lists of Limited Partners entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of Limited Partners.

(d) Sale of Units by Trustee. Within 20 days of receiving notice from the Partnership that Units have been transferred to the Trust, the Trustee of the Trust shall sell the Units held in the Trust to a person, designated by the Trustee, whose ownership of the Units will not violate the ownership limitations set forth in Section 13.2(a). Upon such sale, the interest of the Charitable Beneficiary in the Units sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner and to the Charitable Beneficiary as provided in this Section 13.11(d). The Prohibited Owner shall receive the lesser of (1) the price paid by the Prohibited Owner for the Units or, if the event causing the Units to be held in the Trust did not involve a purchase of such Units at Market Price, the Market Price of the Units on the day of the event causing the Units to be held in the Trust and (2) the price per Unit received by the Trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the Units held in the Trust. The Trustee may reduce the amount payable to the Prohibited Owner by the amount of distributions which have been paid to the Prohibited Owner and are owed by the Prohibited Owner to the Trustee pursuant to Section 13.11(c). Any net sales proceeds in excess of the amount payable to the Prohibited Owner shall be immediately paid to the Charitable Beneficiary. If, prior to the discovery by the Partnership that Units have been transferred to the Trustee, such Units are sold by a Prohibited Owner, then (i) such Units shall be deemed to have been sold on behalf of the Trust and (ii) to the extent that the Prohibited Owner received an amount for such Units that exceeds the amount that such Prohibited Owner was entitled to receive pursuant to this Section 13.11(d), such excess shall be paid to the Trustee upon demand.

(e) Purchase Right in Units Transferred to the Trustee. Units transferred to the Trustee shall be deemed to have been offered for sale to the Partnership, or its designee, at a price per Unit equal to the lesser of (i) the price per Unit in the transaction that resulted in such Transfer to the Trust (or, if the event that resulted in the Transfer to the Trust did not involve a purchase of such Units at Market Price, the Market Price of such Units on the day of the event

that resulted in the Transfer of such Units to the Trust) and (ii) the Market Price on the date the Partnership, or its designee, accepts such offer. The Partnership may reduce the amount payable to the Trustee by the amount of distributions which has been paid to the Prohibited Owner and are owed by the Prohibited Owner to the Trustee pursuant to Section 13.11(c) and may pay the amount of such reduction to the Trustee for the benefit of the Charitable Beneficiary. The Partnership shall have the right to accept such offer until the Trustee has sold the Units held in the Trust pursuant to Section 13.11(d). Upon such a sale to the Partnership, the interest of the Charitable Beneficiary in the Units sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner.

(f) Designation of Charitable Beneficiaries. By written notice to the Trustee, the Partnership shall designate one or more nonprofit organizations to be the Charitable Beneficiary of the interest in the Trust such that the Units held in the Trust would not violate the restrictions set forth in Section 13.2(a) in the hands of such Charitable Beneficiary. Neither the failure of the Partnership to make such designation nor the failure of the Partnership to appoint the Trustee before its automatic transfer provided for in Section 13.2(b) shall make such transfer ineffective; *provided* that the Partnership thereafter makes such designation and appointment. The designation of a nonprofit organization as a Charitable Beneficiary shall not entitle such nonprofit organization to serve in such capacity and the Partnership may, in its sole discretion, designate a different nonprofit organization as the Charitable Beneficiary at any time and for any or no reason. Any determination by the Partnership with respect to the application of this Article XIII shall be binding on each Charitable Beneficiary.

Section 13.12. Enforcement. The Partnership is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Article XIII.

Section 13.13. Non-Waiver. No delay or failure on the part of the Partnership or its General Partner in exercising any right hereunder shall operate as a waiver of any right of the Partnership or its General Partner, as the case may be, except to the extent specifically waived in writing.

Section 13.14. Severability. If any provision of this Article XIII or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provisions shall be affected only to the extent necessary to comply with the determination of such court.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

GENERAL PARTNER:

FUNDRISE OPPORTUNITY FUND GP, LLC

By: Rise Companies Corp.
its Manager

By: /s/ Benjamin S. Miller
Name: Benjamin S. Miller
Title: Chief Executive Officer

LIMITED PARTNERS:

All Persons whose Subscription Agreements have been accepted by the General Partner are deemed to have executed this Agreement, as per Section 1.6 of the Subscription Agreement.

**WITHDRAWING INITIAL
LIMITED PARTNER:**

FUNDRISE ADVISORS, LLC

By: /s/ Benjamin S. Miller
Name: Benjamin S. Miller
Title: Chief Executive Officer