



1031 DST/PROGRAM AND OPPORTUNITY ZONE PURCHASE LETTER OF UNDERSTANDING

Print Client(s) Name _____ Amount \$ _____

Type of Transaction: 1031 Exchange/721 Exchange _____ QOZ Purchase _____ Direct Investment: _____

Sponsor: _____ Program/Investment Name: _____

Program Loan to Offering Pct% _____% Program Proposed Cash on Cash Return/Cash Dividend _____%

Total Amount Client has invested in 1031s, 721 Upreits and/or Opportunity Zones \$ _____

Client(s) Household Net Worth (Excluding Primary Residence) \$ _____

1. PURPOSE OF TRANSACTION: The primary purpose for a 1031 Exchange/721 Exchange is to defer the unrealized capital gains associated with the sale of an existing real estate or investment property. The primary purpose of purchasing an Opportunity Zone (QOZ) program is to take advantage of the tax benefits associated with it related to realized capital gains incurred by the client. The Client(s) acknowledge that they have spoken with their tax professional about how this transaction will affect their tax situation. The client and their tax professional have spoken about performing a 1031 exchange/721 exchange, purchasing into a Qualified Opportunity Zone (QOZ) or taking the proceeds outright and paying any potential taxes. Client(s) purpose for a Direct Investment into a DST Program is to provide diversification and/or income to client(s) overall portfolio. The diversification into direct Real Estate provides a multitude of Pro & Cons that the Client(s) have taken into account.

2. ADEQUATE INFORMATION: The Client(s) acknowledge receiving a current prospectus/PPM for the investment(s) applied for. The Client(s) certify that they meet the suitability requirements outlined in the prospectus/PPM. The Client(s) understand the investment objectives and risks of the investment for which they are purchasing. THERE CAN BE NO ASSURANCE THAT THE OBJECTIVES WILL BE ACHIEVED.

3. REAL ESTATE INVESTMENT RISK: Real Estate is by nature a high-risk investment. The risk of default and lack of liquidity are a few of the risks involved in this kind of purchase. By purchasing a 1031 DST/Program or Opportunity Zone (QOZ), the Client(s) are comfortable with real estate investing as it is a part of their normal investment history and risk tolerance. Client(s) are willing to take on the higher risk for this investment to preserve the cost basis in the real estate or defer taxes to a later time.

4. HOLDING PERIOD: The Client(s) acknowledge that this Program/Investment has a 7 to 10 year holding period at minimum. If the Client(s) wants money from this investment prior to this holding period being completed, they may not be able to access their money or may receive it with a substantial loss of principal.

5. CLIENT ASSET LIQUIDITY: The Client(s) acknowledge that by placing proceeds into an illiquid investment like real estate that the client(s) have enough liquidity in their Net Worth to cover their daily needs through the term of holding this investment.

6. VALUE OF SHARES/FLUCTUATING YIELD: The value of your shares or units may go up or down, and when you redeem your shares or units, you may receive more or less than you paid for them. Dividends or interest may also fluctuate, and the amount is not guaranteed.

7. LEVERAGE/DEBT: The Client(s) acknowledge that they are comfortable with the leverage/debt associated with the program they are purchasing. By having leverage/debt associated with the program, the program is obligated to pay back the amount borrowed along with interest. This may affect future cash flows or return of principal.

8. MANAGEMENT RESPONSIBILITY: Harbour Investments, Inc. does not sponsor, manage investment or insurance products. The performance of your investment will depend upon results achieved by the fund managers, or general partners responsible for managing your investment. Please check your confirmation statements received directly from vendors to make sure all information is correct.

Confirmations and statements will come directly from the product issuer.

9. REVENUE SHARING: Certain companies pay Harbour Investments, Inc. compensation for marketing, access to Harbour Representatives and for other purposes separate from and in addition to commission and compensations paid for the sale of their products as disclosed in the prospectus/PPM of each company. This practice is further discussed and reviewed at the Harbour website <http://harbourinv.com/clients/>

10. INFORMED CONSENT OF REG BI: The Client(s) hereby makes the following representations about informed consent of the receipt of certain information from Harbour: I (we) agree to receive, and have received delivery of Harbour's Best Interest Disclosure by visiting <https://harbourinv.com/clients/regulation-bi/>.

Client's Signature: _____ Date: _____

Joint Signature: _____ Date: _____

By signing, you represent that you understand and acknowledge the disclosures per the proposed investment.

REPRESENTATIVE STATEMENT. I am appropriately licensed in the client's state of residence. I have reviewed the client's account form to ensure that the information is current, and their investment objectives stated on the account form are the same as indicated above.

Representative Signature: _____ Rep No. _____